

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, February 25, 2021 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: <http://bit.ly/VRDFebMeeting>

Password: VRDBoard

Or Telephone:

669-900-9128 or 253-215-8782

Webinar ID: 850 1424 8239

Passcode: 97647262

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Agenda

1. Call to Order
2. Changes to Agenda;
3. Approval of Minutes;
  - a. January 28, 2021
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. Vail Recreation District Game Balls-Mr. Jacob Tilmann, Mr. John Farley for Outstanding Grooming at Vail Nordic Center
  - b. Resolution Authorizing Closure of Enterprise Fund- Mr. Eric Weaver
6. Unfinished Business;
  - a. Ratification of Cost Sharing Agreement with the Town of Vail- Greens Renovations at the Vail Golf Club- Mr. Mike Ortiz
  - b. Staff Analysis and Recommendation on Lease Proposal for Former Aria Club and Spa- Mr. Mike Ortiz, Mr. Dan Timm, Mr. Eric Weaver
7. Officers, Committees, Staff, and Professional Consultants;
  - a. January 2021 Financials- Mr. Eric Weaver
  - b. Executive Director Input
  - c. Board Member Input
8. Adjournment

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## RECORD OF PROCEEDINGS

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### Minutes of the Regular Meeting Of the Board of Directors

Vail Park and Recreation District  
dba Vail Recreation District  
January 28, 2021

A Regular Meeting of the Board of Directors of the Vail Recreation District, Town of Vail, Eagle County, Colorado, was held on January 28, 2021 at 5:00 p.m. via virtual meeting, in accordance with the applicable statutes of the State of Colorado.

#### 1. MEMBERS PRESENT

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

#### 2. MEMBERS ABSENT AND EXCUSED

2.1. None

#### 3. STAFF PRESENT

3.1. Mike Ortiz, Jessie Klehfoth, Dan Timm, Jared Biniecki, April Childress, Jerry Stevens, Scott O'Connell

#### 4. OTHERS PRESENT

4.1. Laurie Assmussen

#### 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. Mr. Ortiz requested a change to the order of presentations and Director Hansen asked for a pickleball update.

#### 8. APPROVAL OF MEETING MINUTES

8.1. By motion duly made and seconded it was unanimously RESOLVED to approve the minutes of the December 10, 2020 regular meeting.

#### 9. PUBLIC INPUT FOR MATTERS NOT OTHERWISE ON AGENDA

9.1. None

#### 10. INTRODUCTION OF APRIL CHILDRESS

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## RECORD OF PROCEEDINGS

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### Vail Recreation District January 28, 2021 Meeting Minutes

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- 10.1. Mr. Scott O'Connell introduced Ms. April Childress to the Board. Ms. Childress has been hired as the new Food and Beverage General Manager for the District. After some discussion, the Board welcomed Ms. Childress to the District.

#### 11. DOBSON ICE ARENA UPDATE

- 11.1. Mr. Jared Biniecki gave an update on programming at Dobson Ice Arena. He recapped the months of December and January and also talked about some upcoming programming. After some discussion, the Board thanked Mr. Biniecki and his staff for the hard work.

#### 12. GORE RANGE ROOM EVENT FEES

- 12.1. Mr. O'Connell gave the Board an overview of event business at the Vail Golf & Nordic Clubhouse and proposed new room rental fees for weddings in years 2022 and 2023.
- 12.2. After some discussion, and by motion duly made and seconded it was unanimously RESOLVED to accept the fees for years 2022 and 2023 with flexibility given to staff to consider implementation of several changes discussed by the Board.

#### 13. NORDIC UPDATE

- 13.1. Mr. Dan Timm gave an update on how business is going very well at the Vail Nordic Center. After some discussion, the Board thanked Mr. Timm and his staff for the hard work this winter.

#### 14. 2021 MEETING DATES

- 14.1. Mr. Eric Weaver directed the Board to the proposed 2021 meeting dates as listed in the Board packet. The proposed meeting dates for 2021 are the fourth Thursday of every month, with the exception of November and December when the Board will meet on the second Thursday due to the holidays.
- 14.2. By motion duly made and seconded it was unanimously RESOLVED to approve the 2021 proposed meeting schedule as presented.

#### 15. 2021 RESOLUTION DESIGNATING POSTING LOCATIONS

- 15.1. Mr. Weaver informed the Board that the proposed posting location for 2021 Board meeting agendas would be on the District's website - [www.vailrec.com](http://www.vailrec.com).
- 15.2. By motion duly made and seconded it was unanimously RESOLVED to approve the 2021 resolution designating posting locations as presented.

#### 16. AUDIT ENGAGEMENT LETTER

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## RECORD OF PROCEEDINGS

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### Vail Recreation District January 28, 2021 Meeting Minutes

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- 16.1. Mr. Weaver asked the Board to consider the audit engagement letter as presented in the Board packet from McMahan and Associates. McMahan and Associates has done the District's audit for a number of years now and is a local company that specializes in auditing government entities.
  - 16.2. By motion duly made and seconded it was unanimously RESOLVED to again engage McMahan and Associates for the annual District audit.
17. OUTDOOR ICE SKATING PLANNING PROPOSAL FOR WINTER SEASON 2021-22
- 17.1. Mr. Ortiz and Mr. Timm presented an idea to the Board to add an outdoor ice skating rink and skate rental service to the Vail Nordic Center for the winter of 2021-22. The rink would be located on a portion of the driving range. They proposed not charging for users to ice skate and offering skate rentals for a small fee.
  - 17.2. After some discussion, the Board gave their thumbs up to proceed with this plan.
18. UPDATE ON COST SHARING WITH THE TOWN OF VAIL – GREENS RENOVATIONS AT THE VAIL GOLF CLUB
- 18.1. Mr. Ortiz updated the Board that on February 2 the Vail Town Council would be presented a proposal to share the cost of the golf greens renovations at the Vail Golf Club over the next three years. In the proposal, the Town's share of the costs would not exceed \$216K per year or \$650K total.
  - 18.2. The Board thanked Mr. Ortiz for working with council on this item and encouraged him to proceed.
19. DECEMBER 2020 FINANCIALS
- 19.1. Mr. Weaver told the Board that the District finished the year remarkably well, especially with all things considering. The District came out \$1 million dollars ahead of forecast, due in part to Nordic and golf course exceeding their revenue budgets and all departments finding savings on expenses. The District also didn't need to use \$300K in contingency that had been set aside and, thanks to the hard work of April Heredia, received a grant to reimburse COVID-related expenses.
  - 19.2. The Board thanked Mr. Weaver and Mrs. Heredia for their work on the financials and all staff for being budget conscious all year.
20. PICKLEBALL UPDATE
- 20.1. Director Hansen asked to bring back the pickleball tournament in 2022.
21. EXECUTIVE DIRECTOR INPUT

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## RECORD OF PROCEEDINGS

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### Vail Recreation District January 28, 2021 Meeting Minutes

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- 21.1. Mr. Ortiz gave highlights from the directors reports as presented in the Board packet.

#### 22. BOARD MEMBER INPUT

- 22.1. Director Plante thanked the VRD staff for their adaptability and great attitudes. He thanked Mr. Ortiz for working with the Town on the greens cost sharing and also commented that it was great Dobson is open. He thanked Mrs. April Heredia for her legwork on the COVID-19 expense reimbursement grant and said he's proud of the job the whole staff is doing.
- 22.2. Director Kjesbo echoed Director Plante's comments and commended Mr. Ortiz on a wonderful team during both good and bad times. He also said he recently enjoyed a good meal at the Grill on the Gore restaurant in the Vail Golf & Nordic Clubhouse and asked if there were any issues with non-Nordic users parking out there. Mr. Ortiz said there have not been issues and the Nordic staff are monitoring the parking lot to prevent this from happening.
- 22.3. Director Hansen stated even in the midst of a pandemic he's amazed and surprised at how lively, active and vital this community remains. He also said he spoke to the broker of the Aria Club last week and they are still interested in working with the Town. Director Hansen said he'd like to hear from the Town if they are interested in pursuing this idea further.
- 22.4. Director Rediker stated how she received some great thank you letters from the staff. She observed that everything in the District was going swimmingly and thanked Mike for his leadership. She said all the staff make it fun to be a Board member.
- 22.5. Director Saalfeld also thanked the staff for all the good work and said he's proud to be a part of the organization.

#### 23. ADJOURNMENT

- 23.1. 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 PARK AND RECREATION DISTRICT

### A RESOLUTION AUTHORIZING CLOSURE OF ENTERPRISE FUND

WHEREAS, the Vail Park and Recreation District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, on October 3, 2001 the District issued Enterprise Revenue Bonds (“Enterprise Bonds”) and established an Enterprise Fund; and

WHEREAS, the Enterprise Fund was initially created to pay the Enterprise Bonds and for the operations related to the Vail Golf Club, Dobson Ice Arena and the tennis center; and

WHEREAS, in 2004 the eligible electors of the District authorized a mill levy increase for general operating purposes, including but not limited to making debt service payments on the Enterprise Bonds; and

WHEREAS, in 2020 the District paid off the Enterprise Bonds and now desires to close the Enterprise Fund; and

WHEREAS, the Board of Directors (“Board”) of the District hereby finds and determines that closing the Enterprise Fund is appropriate and necessary to the function and operation of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vail Park and Recreation District as follows:

1. Authority to Close Enterprise Fund. The Board authorizes the closure of the Enterprise Fund effective December 31, 2020.
2. Transfer of Funds. The Board directs any remaining balance in the Enterprise Fund to be transferred to the General Fund for general operating purposes of the District.
3. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
4. Effective Date. This Resolution shall take effect and be enforced immediately upon its approval by the Board.

ADOPTED this 25<sup>th</sup> day of February, 2021.

VAIL PARK AND RECREATION  
DISTRICT

By \_\_\_\_\_  
Tom Saalfeld, Chairman

Attest:

\_\_\_\_\_  
Kim Newbury-Rediker, Secretary

**CONTRACT ROUTING SHEET**

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NAME OF PROJECT: IGA Cost Share Agreement with VRD

DATE REQUESTED BY: ASAP

CONTRACTOR: VRD

TOV PROJECT MANAGER Name Patty McKenny

Email pmckenny@vailgov.com

Phone x3111

PROJECT ACCT NUMBER(S):

CONTRACT AMOUNT: not to exceed \$216,000.00 a year not to exceed \$650,000.00 total

Approvals:

LEGAL DEPT by email DocuSigned by: \_\_\_\_\_

FINANCE DEPT Carlie Smith \_\_\_\_\_

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TOWN CLERK \_\_\_\_\_

In Process



## **COST SHARING AGREEMENT**

THIS COST SHARING AGREEMENT (the "Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2021, by and between the TOWN OF VAIL, COLORADO, a Colorado home rule municipality with an address of 75 South Frontage Road, Vail, CO 81657 (the "Town"), and the VAIL PARK AND RECREATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado with an address of 700 South Frontage Road, Vail, CO 81657 (the "District") (each a "Party" and collectively the "Parties").

WHEREAS, on June 12, 2019, the Parties entered into a lease (the "Lease"), under which the District operates the Vail Municipal Golf Course ("Golf Course") and is responsible for all maintenance of the Golf Course;

WHEREAS, the District is contracting for the replacement and upgrade of the existing playing surface of all 18 greens on the Golf Course, including improved subdrainage, substructure and new playing surface, over a period of 3 years (the "Project"),

WHEREAS, because of the public benefit provided by the Golf Course, the Town wishes to contribute to the Project; and

WHEREAS, the Town and the District are expressly authorized by C.R.S. § 29-1-203 to enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises contained herein, the adequacy of which is hereby admitted, the Parties hereto agree as follows:

1. Project Management. The District shall be the contracting party for the Project, and will have sole responsibility for managing the Project.
2. Cost Sharing. The Town shall pay for 50% of the cost of the Project, not to exceed \$216,000 per year and \$650,000 total. Payments shall be made on a monthly basis, within 30 days of the Town's receipt of an invoice and supporting documentation evidencing the cost of the Project during that month.
3. Term. The term of this Agreement shall commence on the Effective Date and terminate on December 31, 2023. Upon termination of this Agreement, the Town's obligation to share in the cost of the Project shall terminate.
4. Miscellaneous.
  - a. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Eagle County, Colorado.
  - b. Integration. This Agreement and any attached exhibits constitute the entire agreement between the Parties, superseding all prior oral or written communications.

c. *Third Parties.* There are no intended third-party beneficiaries to this Agreement.

d. *Notice.* Any notice under this Agreement shall be in writing, and shall be deemed sufficient when directly presented or sent pre-paid, first class United States Mail to the Party at the address included on the first page of this Agreement.

e. *Severability.* If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

f. *Modification.* This Agreement may only be modified upon written agreement of the Parties.

g. *Assignment.* Neither this Agreement nor any of the rights or obligations of the Parties shall be assigned by either Party without the written consent of the other.

h. *Governmental Immunity.* The Parties and their officers, attorneys and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to the Parties or their officers, attorneys or employees.

i. *Rights and Remedies.* Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the Town shall not constitute a waiver of any of the other terms or obligation of this Agreement. The rights and remedies of the Town under this Agreement are in addition to any other rights and remedies provided by law. The expiration of this Agreement shall in no way limit the Town's legal or equitable remedies, or the period in which such remedies may be asserted, for work negligently or defectively performed.

j. *Subject to Annual Appropriation.* Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the Town not performed during the current fiscal year is subject to annual appropriation, shall extend only to monies currently appropriated, and shall not constitute a mandatory charge, requirement or liability beyond the current fiscal year.


IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

**TOWN OF VAIL**

\_\_\_\_\_  
Scott Robson, Town Manager

ATTEST:

\_\_\_\_\_  
Tammy Nagel, Town Clerk

DocuSigned by:  
**VAIL RECREATION DISTRICT**  
  
\_\_\_\_\_  
Mike Ortiz, Director  
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ATTEST:

\_\_\_\_\_

In Process

## BOARD ACTION REQUEST FORM

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**TO:** VAIL RECREATION DISTRICT BOARD OF DIRECTORS

**FROM:** Executive Director Mike Ortiz, Nordic Center Director Dan Timm & Eric Weaver, Marchetti & Weaver LLC

**DATE:** February 10, 2021

**SUBJECT:** Feasibility of Rental and Operation of Aria Club & Spa

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**Summary of Subject:** The Vail Recreation District and Town of Vail staffs were asked to explore the feasibility of leasing and operating the former Aria Club & Spa as a recreation center. VRD staff put together an operating budget for this facility.

This proposed lease assumes that the existing spa and indoor tennis spaces would be excluded from the lease and the lessee would be responsible for all FFE. Additionally, ownership has proposed that Hyatt “Gold Member” guests and employees are granted free access to the facility. All the financial obligations (numbers) of the lease are included in the budget. A huge thank you to Dan Timm who was very helpful in putting this budget together. Dan worked at Aria for 17 years, many of those as the club director.

**Discussion/Background:** After review of this budget, staff had the following thoughts under Scenario 2 of the attached - assuming a membership of 350 and the terms of the latest proposed lease.

- Operational expenses would be \$2.5M. This would represent a 35% increase in our current operating expenses of \$7M for the entire district.
- The annual operating subsidy would be \$1.8M. If the TOV were to cover the CAM, utilities and rent (\$0 rent assumed in this budget) the annual subsidy to the VRD could be reduced to \$1.3M.
- In this budget, we assume a membership fee of \$125/monthly. Currently, monthly recreation center fees in the immediate area are Avon at \$57, Gypsum at \$54 and Breckenridge at \$47.
- Using these numbers, the proposed budget shows an estimated subsidy needed of \$5,075 per member per year.
- We estimate that operating this facility will require 18 full-time, benefitted positions and approximately 40-45 part-time staff members. This a major concern for both the VRD and TOV.
- The building is old and in need of many repairs and replacements that are visible. Additionally, we believe that the same is true for multiple items that cannot be seen. We are certain that the HVAC system, pool, Jacuzzis and steam rooms all require major

improvements. Should the VRD and/or TOV fund capital repair/replacement in a facility they don't own?

- In order to attract new membership, a "WOW" factor needs to be created requiring major capital expenditures. Many former members have moved on to other clubs and facilities in the valley.
- Parking at the facility will be very costly. In this budget we are assuming \$311K (\$5 per entry).
- This facility is not a recreation center but rather a fitness gym. The VRD could not host any of its current team sports programs in this facility.
- An area of excitement for the VRD was to turn the old tennis courts into both indoor tennis and pickleball. Pickleball has quickly become a thriving program for the VRD but the lease, as proposed, would not allow use of these spaces.
- Based on Dan's experience, we need to assume that we will have 25-30 hotel guests a day and that 100 Hyatt employees will use the facility three to four times per week. No revenue is forecasted for this usage.
- Not included in this budget are other overall cost increases for VRD for insurance, accounting, human resources and other administrative functions that will dramatically increase with this operation.
- The VRD passed a 1 mill increase in property taxes in 2018. **Even with the Town's financial participation, this operation would likely negate the entire increase.** The District would need to seek voter approval (November 2021 for 2022 collection would be the earliest opportunity) of another 1–1.5 mill levy property tax increase.
- **Staff believes there are Four options:**
  - Option 1: Direct VRD staff to study and survey the Vail community's appetite for a 1–1.5 mill levy property tax increase to fund the operational and proposed lease costs of this facility.
  - Option 2: Assume the proposed operational and lease costs into the current budget.
  - Option 3: Ask the Town of Vail to assume all operational and proposed lease costs of this facility.
  - Option 4: Staff ends all discovery work and negotiations cease.
- **Recommendation:** Staff recommends that the district end all negotiating with ownership of the Aria Club & Spa. The area of the club that most interests VRD staff, because of program viability and growth potential, are not included in the lease. VRD would not be able to move any of their current adult/youth team sports programming to this facility because it is too small. Neither the VRD nor the TOV should invest capital funds into a building the taxpayers don't own. Our current and best operating plan is for the town to own the facilities that the district manages. This is an extremely risky financial proposition for the district in an exceptionally tough market. We believe the landscape of club fitness will change. Unfortunately, we don't have any idea of the direction as of yet.

## ARIA Analysis

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	
	350 Members (With Daycare)	350 Members (No Daycare)	500 Members (With Daycare)	763 Members (With Daycare)	Assumptions
Square Footage Leased	29,095	29,095	29,095	29,095	Need to Confirm
Rent Fee	-	-	-	-	Assume no rent charged
CAM Fee	10	10	10	10	Per Square Foot
Member Count	350	350	500	763	Average Members
Monthly Membership Fees	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	Monthly Average Fee
Personal Training Fees	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	Per Session Fee
Daycare Fee	\$ 5.00	\$ -	\$ 5.00	\$ 5.00	Per Time Hour Per Child
<b>Revenues:</b>					
Membership Dues	525,000	525,000	750,000	1,144,500	
Personal Training	163,800	163,800	234,000	357,084	5% of Members Use 2 Times Per Week
Daycare	13,650	-	19,500	29,757	5% of Members Use 3 Times Per Week
<b>Total Revenues</b>	<b>702,450</b>	<b>688,800</b>	<b>1,003,500</b>	<b>1,531,341</b>	
<b>Expenses:</b>					
<b>Wages</b>					
Management					
Club Director	90,000	90,000	90,000	90,000	
Front Desk Manager	55,000	55,000	55,000	55,000	
Membership Sales Manager	40,000	40,000	40,000	40,000	
Athletic Manager	45,000	45,000	45,000	45,000	
Housekeeping Manager	42,000	42,000	42,000	42,000	
Engineering Manager	55,000	55,000	55,000	55,000	
Full-Time Staff					
Childcare Manager	41,600	-	41,600	41,600	\$20/Hr- Full-Time
Front Desk x 3 full time	112,320	112,320	112,320	112,320	\$18/Hr- 3 Full-Time Positions
Housekeepers	224,640	224,640	224,640	224,640	6 Full Time at \$18/Hr
Engineering Assistants	62,400	62,400	62,400	62,400	\$20/hr, 2 Staff at 30 Hrs/ week each
Part-Time Staff					
Fit Floor Staff part time	39,312	39,312	39,312	39,312	\$18/Hr 2 Shifts Per Day, 3 Hours Each
Fitness Instructors	52,000	52,000	52,000	52,000	\$50 Per Class- 20 Classes / week
Personal Trainers	122,850	122,850	175,500	267,813	75% of Personal Training Revenues
Childcare Attendants	45,864	-	45,864	45,864	9:00-1:00 and 4:30-7:30 Daily
<b>Benefits &amp; Taxes</b>					
Health Insurance	243,000	243,000	243,000	243,000	Average \$1,150/ Mo. For Management & FT- Staff
Retirement	95,995	90,795	95,995	95,995	12.5% of Management & Full-Time Staff Wages
FICA	16,122	13,278	19,386	25,109	6.2% of Part-Time Wages
Medicare	14,906	13,638	15,669	17,008	1.45% of Total Wages
Workers Comp	20,560	18,810	21,613	23,459	2% of Total Wages
<b>Total Wages &amp; Benefits</b>	<b>1,418,568</b>	<b>1,320,043</b>	<b>1,476,299</b>	<b>1,577,520</b>	
<b>Operations</b>					
Equipment Lease	48,000	48,000	48,000	48,000	\$4k Per Month (take over lease pymnts)
Rent	-	-	-	-	Assumed \$0 Based on Number
CAM	290,950	290,950	290,950	290,950	\$10 Per Ft Per Year
Utilities	200,000	200,000	200,000	200,000	Pool uses a lot of energy
Building Operations	150,000	150,000	150,000	150,000	Old facility, constant maintenance required
Parking Fees- Members	273,000	273,000	390,000	595,140	\$5 Per Time- Assume 3 times per week per member
Parking Fees- Employees	38,000	33,000	38,000	38,000	\$5 Per Employee Per Shift
Operating Costs	150,000	150,000	150,000	150,000	CC fees, uniforms, supplies, marketing, laundry, etc.
<b>Total Operations</b>	<b>1,149,950</b>	<b>1,144,950</b>	<b>1,266,950</b>	<b>1,472,090</b>	
<b>Total Expenses</b>	<b>2,568,518</b>	<b>2,464,993</b>	<b>2,743,249</b>	<b>3,049,610</b>	
<b>NET OPERATING INCOME (LOSS)</b>	<b>(1,866,068)</b>	<b>(1,776,193)</b>	<b>(1,739,749)</b>	<b>(1,518,269)</b>	
<b>Contribution From Town</b>					
Rent	-	-	-	-	Equal to Expenses Above
CAM	290,950	290,950	290,950	290,950	Equal to Expenses Above
Utilities	200,000	200,000	200,000	200,000	Equal to Expenses Above
<b>Total Town Contributions</b>	<b>490,950</b>	<b>490,950</b>	<b>490,950</b>	<b>490,950</b>	
<b>NET VRD INCOME (LOSS)</b>	<b>(1,375,118)</b>	<b>(1,285,243)</b>	<b>(1,248,799)</b>	<b>(1,027,319)</b>	
Per Member Subsidy (VRD Portion)	3,929	3,672	2,498	1,346	
Per Member Subsidy (TOV Portion)	1,403	1,403	982	643	
<b>Total Subsidy Per Member</b>	<b>5,332</b>	<b>5,075</b>	<b>3,479</b>	<b>1,990</b>	
<b>Mill Levy Required To Cover Total Deficits:</b>					
VRD Portion Only	1.12	1.04	1.01	0.83	
Town & VRD Portion	1.52	1.44	1.41	1.23	

**VAIL RECREATION DISTRICT  
COMBINED BALANCE SHEET  
FOR THE PERIODS INDICATED BELOW**

	12/31/20					01/31/21				
	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
<b>ASSETS</b>										
CASH- UNRESTRICTED	6,105,768				6,105,768	5,898,909				5,898,909
INVESTMENTS- RESTRICTED					0					0
ACCOUNTS RECEIVABLE	228,082				228,082	192,983				192,983
PROPERTY TAXES RECEIVABLE	4,663,735				4,663,735	4,663,735				4,663,735
PREPAIDS, DEPOSITS & INVENTORY	196,210				196,210	170,413				170,413
DUE (TO) FROM OTHER FUND	0				0	(0)				(0)
LOAN DUE (TO) FROM OTHER FUND	0				0	0				0
BUILDINGS			14,112,183	0	14,112,183			14,112,183	0	14,112,183
EQUIPMENT			2,928,402	0	2,928,402			2,928,402	0	2,928,402
ACCUM DEPR			(10,156,998)	0	(10,156,998)			(10,156,998)	0	(10,156,998)
<b>TOTAL ASSETS</b>	<b>11,193,794</b>	<b>-</b>	<b>6,883,587</b>	<b>0</b>	<b>18,077,382</b>	<b>10,926,040</b>	<b>-</b>	<b>6,883,587</b>	<b>0</b>	<b>17,809,627</b>
<b>LIABILITIES AND FUND EQUITY</b>										
ACCOUNTS PAYABLE	91,961				91,961	61,692				61,692
DEFERRED PROPERTY TAXES	4,663,735				4,663,735	4,663,735				4,663,735
DEFERRED REVENUE	157,503				157,503	137,989				137,989
ACCRUED COMPENSATED ABSENCES			133,202	0	133,202			133,202	0	133,202
ACCRUED INTEREST PAYABLE				0	0				0	0
DOBSON BONDS PAYABLE				0	0				0	0
<b>TOTAL LIABILITIES</b>	<b>4,913,199</b>	<b>-</b>	<b>133,202</b>	<b>0</b>	<b>5,046,401</b>	<b>4,863,415</b>	<b>-</b>	<b>133,202</b>	<b>0</b>	<b>4,996,617</b>
<b>NET ASSETS</b>										
INV IN FIXED ASSETS, NET OF DEBT RESTRICTED	499,645	-	6,750,385	0	6,750,385	185,940	-	6,750,385	0	6,750,385
COMMITTED & ASSIGNED FOR CAPITAL UNASSIGNED	3,690,000	-			3,690,000	4,380,000	-			4,380,000
	2,090,951	-			2,090,951	1,496,684	-			1,496,684
<b>TOTAL NET ASSETS</b>	<b>6,280,595</b>	<b>-</b>	<b>6,750,385</b>	<b>0</b>	<b>13,030,980</b>	<b>6,062,624</b>	<b>-</b>	<b>6,750,385</b>	<b>0</b>	<b>12,813,010</b>
<b>TOTAL LIAB &amp; NET ASSETS</b>	<b>11,193,794</b>	<b>-</b>	<b>6,883,587</b>	<b>0</b>	<b>18,077,382</b>	<b>10,926,040</b>	<b>-</b>	<b>6,883,587</b>	<b>0</b>	<b>17,809,627</b>

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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: 02/18/21  
 Modified Accrual Basis

	2020 Prelim Actual	2021 Forecast	2021 Adopted Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)	1 Month Ended 01/31/21 Actual	1 Month Ended 01/31/21 Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)
<b>COMBINED REVENUES</b>									
PROPERTY AND OTHER TAXES, NET OF FEES	5,030,159	4,743,685	4,743,685	-	0%	-	-	-	0%
OTHER NON-DEPARTMENTALIZED REVENUES	139,159	45,000	43,000	2,000	5%	521	2,089	(1,568)	-75%
SPORTS	240,653	243,670	243,670	-	0%	15,630	16,959	(1,329)	-8%
GYMNASTICS	179,525	244,720	244,720	-	0%	36,566	13,521	23,045	170%
COMMUNITY PROGRAMMING	311,928	373,500	373,500	-	0%	39,258	26,197	13,061	50%
NATURE CENTER	-	-	-	-	0%	-	-	-	0%
NORDIC CENTER	608,704	475,935	475,935	-	0%	193,108	97,206	95,901	99%
GOLF COURSE	1,606,097	1,463,650	1,463,650	-	0%	-	47	(47)	-100%
TENNIS	67,008	58,000	58,000	-	0%	-	-	-	0%
PICKLEBALL	120,656	97,335	97,335	-	0%	1,784	1,442	341	24%
DOBSON	535,864	512,419	512,419	-	0%	74,414	94,500	(20,086)	-21%
GOLF F&B / BANQUET ROOM, NET OF COGS	287,343	299,148	299,148	-	0%	11,807	6,690	5,117	76%
<b>TOTAL REVENUES</b>	<b>9,127,096</b>	<b>8,557,062</b>	<b>8,555,062</b>	<b>2,000</b>	<b>0%</b>	<b>373,087</b>	<b>258,651</b>	<b>114,436</b>	<b>44%</b>
<b>OPERATING EXPENSES</b>									
ADMINISTRATION	(824,319)	(878,001)	(876,351)	(1,650)	0%	(220,918)	(228,689)	7,771	3%
PUBLIC RELATIONS/MARKETING	(292,782)	(407,619)	(407,619)	-	0%	(23,198)	(28,668)	5,470	19%
PARK MAINTENANCE	(283,730)	(291,399)	(291,399)	-	0%	(11,615)	(11,348)	(267)	-2%
FACILITIES MAINTENANCE	(139,078)	(142,001)	(142,001)	-	0%	(12,952)	(14,732)	1,780	12%
SPORTS	(428,738)	(471,699)	(471,699)	-	0%	(21,323)	(26,661)	5,338	20%
GYMNASTICS	(302,847)	(355,365)	(355,365)	-	0%	(22,680)	(31,003)	8,323	27%
COMMUNITY PROGRAMMING	(470,564)	(573,880)	(573,880)	-	0%	(32,237)	(41,533)	9,296	22%
NATURE CENTER	-	-	-	-	0%	-	-	-	0%
NORDIC CENTER	(367,094)	(416,987)	(416,987)	-	0%	(61,744)	(58,985)	(2,759)	-5%
GOLF OPERATIONS	(731,390)	(831,857)	(831,857)	-	0%	(28,416)	(28,719)	303	1%
GOLF MAINTENANCE	(892,232)	(986,369)	(986,369)	-	0%	(42,164)	(43,425)	1,261	3%
TENNIS	(111,854)	(112,922)	(112,922)	-	0%	(2,506)	(5,124)	2,618	51%
PICKLEBALL	(79,589)	(96,772)	(96,772)	-	0%	(5,082)	(5,132)	50	1%
DOBSON	(707,449)	(732,743)	(732,743)	-	0%	(55,069)	(73,751)	18,681	25%
GOLF F&B / BANQUET ROOM	(633,316)	(712,105)	(712,105)	-	0%	(51,154)	(58,539)	7,385	13%
<b>TOTAL EXPENSES</b>	<b>(6,264,982)</b>	<b>(7,009,719)</b>	<b>(7,008,069)</b>	<b>(1,650)</b>	<b>0%</b>	<b>(591,058)</b>	<b>(656,309)</b>	<b>65,252</b>	<b>10%</b>
<b>CHANGE IN FUND BAL BEFORE DS &amp; CAP</b>	<b>2,862,114</b>	<b>1,547,343</b>	<b>1,546,993</b>	<b>350</b>		<b>(217,971)</b>	<b>(397,659)</b>	<b>179,688</b>	
DEBT SERVICE	(271,956)	-	-	-	0%	-	-	-	0%
DONATIONS, LOANS, & SALE OF ASSETS	11,000	-	-	-	0%	-	-	-	0%
CAPITAL EXPENDITURES	(905,978)	(1,407,513)	(1,407,513)	-	0%	-	1	(1)	100%
LESS UNFUNDED CAPITAL PROJECTS	-	-	-	-		-	-	-	
CONTINGENCY	-	(300,000)	(300,000)	-	0%	-	(15,000)	15,000	100%
<b>TOTAL NET CAPITAL EXPENSES</b>	<b>(1,166,934)</b>	<b>(1,707,513)</b>	<b>(1,707,513)</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>(14,999)</b>	<b>14,999</b>	<b>100%</b>
<b>CHANGE IN FUND BALANCE</b>	<b>1,695,180</b>	<b>(160,171)</b>	<b>(160,521)</b>	<b>350</b>		<b>(217,971)</b>	<b>(412,658)</b>	<b>194,687</b>	
<b>BEGINNING FUND BALANCES</b>	<b>4,585,415</b>	<b>6,280,595</b>	<b>5,211,677</b>	<b>1,068,918</b>		<b>6,280,595</b>	<b>5,211,677</b>	<b>1,068,918</b>	
<b>ENDING FUND BALANCES</b>	<b>6,280,595</b>	<b>6,120,424</b>	<b>5,051,156</b>	<b>1,069,268</b>		<b>6,062,624</b>	<b>4,799,019</b>	<b>1,263,605</b>	

**SUMMARY OF SIGNIFICANT VARIANCES:**

GYMNASTICS REVENUES- Teams, programming, and uniform sales all off to a great start.  
 NORDIC REVENUES- Great January numbers from every aspect of Nordic revenues  
 COMMUNITY REVENUES- \$18,000 in unbudgeted grants helping to offset impacts due to COVID  
 DOBSON REVENUES- Hockey revenue not realized in January will hopefully be partially made up later in the season.  
 SPORTS EXPENSES- Savings from canceled programs  
 DOBSON EXPENSES- Savings in Adult hockey with program postponed as well as other areas.  
 FUND BALANCE- Savings at end of 2020 rolled forward to 2021.



## VAIL RECREATION DISTRICT DIRECTOR REPORTS

### February 25, 2021

#### MARKETING

- Jessie and Nell are in their busiest time of year, working on three big projects – the 2020 Year in Review, the all-VRD summer programming brochure and the new VRD website. The summer brochure will be at the printer by the time of the February board meeting and will be mailed out to our entire VRD mailing list within the next two weeks. Keep an eye on your mailboxes.
- Marketing has also been working on a slight style refresh for the District with the launch of these new projects, look for some new fonts and colors to be incorporated into marketing materials this summer.
- We continue all daily and weekly forms of advertising including Vail Daily ads, radio ads and social media promotions. We've been rotating through all the different departments, highlighting all the great winter programming going on over the past month.
- Marketing has had some meeting with the new F&B and event staff and are working on new ideas for the restaurant and wedding and event advertising. It's very exciting to be brainstorming with a new team.
- Jessie is leading the process of finding a new registration and facility management software for the entire District. The current software, MaxGalaxy, is reaching end of life in October so we need to make a move. Jessie has been setting up demos of other software for the staff to view and consider and right now, we plan on making this switch toward the end of summer.

#### GOLF

- Nordic operations continue to go well. We have continued to sell skis, boots and merchandise. 9 News Denver filmed at the Nordic Center on February 18, featuring classic skiing, skate skiing and fat biking with Matt Renoux. Nathan Mead and Trey Johnson continue to be a positive addition to the Nordic Center staff.
- Golf staff have set up several meetings with sales reps to place summer retail orders. Without having a merchandise show this year, we have had to meet again this winter.
- We are setting up interviews with potential seasonal staff for the summer. We continue to search for a PGA Assistant Professional. There is a possibility Ethan Neuman will return for the summer, and if this is the case, we will be in decent shape for our summer golf professional staff.
- We continue to plan for summer. Our calendar for junior camps, adult programs and clinics is all set. We continue to reserve tee times for small groups and have four shotgun tournaments booked. The BB&B Tournament is tentatively set for September 23.
- Alice attended an online professional development through the PGA Colorado section. This was the Four Disciplines of Execution by Chris McChesney. This was a four-week program. The Colorado Section sponsored Alice for this professional development because she is a current West Chapter PGA Board Member. Many of the practices learned in this program will be applicable to our golf operations.

- Alice's photo was featured on the cover of the Colorado PGA SUMMIT Magazine. At some point this summer, Alice will be highlighted in an article "To Promote the PGA Professional."

## **SPORTS**

- Our first winter race on January 30, the Arrowhead Uphill and Skimo, sold out at 75 people with 40 on the waitlist. We had great feedback from participants. A big thank you to Jerry Hensel at Arrowhead and Beaver Creek Mountain operations for their support.
- The next Vail Grail event takes place February 20 at Meadow Mountain. Currently there are 53 of 75 spots filled. There is lots of community excitement for this first-time event.
- We worked with local skimo enthusiast, Dawes Wilson, to offer a free beginner clinic on February 17. The clinic filled up at seven participants.
- Our final winter race, the Shamrock Shuffle, takes place March 13 at the Vail Nordic Center.
- We have started interviews for the full-time sports coordinator position and are excited to complete the sports department team. We have had some good candidates so far.
- High Country Hoops continues for grades 1-2 and starts on March 8 for grades 3-5. We currently have a waitlist for the 3-5 session, but with the county moving to yellow on the COVID dial, we expect to be able to accommodate more kids and allow parents to spectate on a limited basis.
- All sports summer camp registrations are live. We have added a track and field camp to our wide array of offerings.
- Adult volleyball league and open gym has resumed after a COVID-induced break. Based on demand, a second indoor league will be offered starting March 17.
- Adult drop-in basketball has commenced on Mondays at HPS from 6:30-9:30 p.m. and saw 19 players (wearing masks) at the first session.
- We continue to meet with land managers, resort staff, sponsors and partners in preparation for the summer race series and other programming.

## **GYMNASTICS**

- Vail Gymnastics had 22 tumblers participate in our Winter Backhandspring Camp on Wednesday, February 19.
- The level 3 competitive team participated in the state competition on February 12. Parker Scahill finished fifth overall and Grace Hickman finished eighth overall in their respective age groups.
- The level 4 team will participate in their state competition on Saturday, February 20. All competitions have been virtual this season.
- All recreational classes have been full or nearly full this winter season. We have begun to increase our class sizes gradually and anticipate another full 10-week session beginning on Monday, February 22.

## **PICKLEBALL**

- VRD indoor pickleball continues to be offered on three courts at Red Sandstone Elementary School, with most available sessions full to capacity. Indoor play is allowed by reservation only and with strict adherence to COVID guidelines, including face coverings and social distancing requirements. VRD added a day to the winter pickleball schedule and court reservation can be made each hour from 6:15 to 10:15 p.m. on Monday, Wednesday and Thursday and from 10:15 a.m. to 3:15 p.m. on Saturday and Sunday.

- The advance reservation system is working well and there has been an average of 46 players per day or 1,371 individual total player reservations for the 28 daily indoor sessions from January 1 to February 18 at Red Sandstone Elementary School.
- Annual and winter VRD pickleball passes are currently on sale and can be purchased online at the VRD website. So far, we have sold 90 new 2020/21 annual passes for the season that began October 1, 2020 and ends September 30, 2021. We sold 156 summer passes for the 2020 outdoor season that runs from June 1 to September 30, nearly five times the number of summer passes sold the prior year.
- Pickleball tournaments are again slowly starting to be held and we are receiving many questions about the Vail Pickleball Open. We have responded to interested players that we hope to hold the Vail Pickleball Open, better than ever, in 2022.

## **DOBSON**

- We have continued to operate within the Orange-level guidelines with hockey practices and games. We started hosting adult hockey rentals along with our adult hockey leagues again in February. Youth games started back up a little earlier, and are going strong, along with the high school games.
- With the COVID cases trending in our favor we anticipate letting spectators in very soon. Parents will be super happy. The worst part of our job is not letting parents in to watch their little ones. It appears Battle Mountain will be able to have a senior night for their hockey players, which will be awesome to see after all the adversity we have faced to be able to continue to play through the pandemic. It will feel rewarding.
- We are getting ready to start our last Learn to Skate session of the season. We currently have 65 kids registered. This is the most in one session in over 12 years. We usually hover right around 50 any given session.
- Staff has been working with other departments looking at new operating software. Dobson staff has done a lot of research and worked with recreational professionals across the state and country to get feedback and references.
- Dobson will play host to the WCHL League playoffs from March 12-14 for the Squirt A and B levels. Vail has three teams participating at this level. The tournament will be played in Eagle and Vail. We are looking at 13 games over three days with the majority being on Saturday.
- We have offered several public skating, stick and puck, and bumper car sessions over the holiday weekend and into the week with school being out. It has all been hit or miss with bumper cars being the most popular.

## **BUILDING MAINTENANCE / CAPITAL PROJECTS / F&B**

### **F&B**

- Grill on the Gore guests continue to provide positive feedback to our menu and quality. We also have several repeat customers that only visit our venue due to the amount of spacing between tables, traffic patterns and protocols in place.
- We have resumed hosting events in the Gore Range Room. We can host up to 40 guests indoors and have seen last-minute bookings with smaller groups looking for venues to host small events.

- Dobson concessions remains closed until we can host spectators and events, however we continue to offer vending options for program participants.
- The F&B management team is once again full and preparing for a busy summer season. We have begun interviewing and hiring for key summer positions.

### **Capital Projects**

- The Vail Gymnastics HVAC project will be submitted to the Town of Vail Design and Review Board and may be staff approved. Once a bid set is ready, it will be posted to seek qualified contractors for the installation.
- Vail Gymnastics is also receiving a “make-over” in the space previously occupied by martial arts. Painting, mirror wall installation, rubber flooring and cleaning are all items underway.
- Zehren Architects are assisting with planning for the renovation of the tennis center and golf maintenance building staff areas.
- Imagination Station and community program spaces have also been given attention during the COVID-19 closure. Painting, carpentry and exhibit upgrades are all underway.

### **Building Maintenance**

- The Town and VRD collaborated to install the Synexis system in VRD facilities. These devices are now installed, powered and creating a safer environment for guests and staff.
- We are working on improving our mechanical systems at the ice arena, boilers have been challenged with providing heat and warm water consistently.
- We are putting together our spring punch lists to ensure that we have a smooth transition from winter to summer and that our facilities are safe, clean, and welcoming for our summer programming participants.

### **NORDIC**

- Friday, Saturday and Sunday are still our busy days with sales and rentals.
- Presidents weekend was very busy on Saturday, Sunday and Monday.
- We have started our sale of 20% off on everything for Presidents Day.
- The high school race on Friday, February 5 was successful.
- The trails are in great shape; grooming has been outstanding.