

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

5:00 P.M.
Thursday, October 22, 2015
Town of Vail, Council Chambers
AGENDA
REGULAR MEETING

1. Call to Order
2. Approval of Minutes
 - a. September 24, 2015
3. Public Input of Items not on the Agenda.
4. Engagement of Sherman & Howard as Pension Plan Legal Counsel- Mr. Eric Weaver
5. September 2015 Financial Report – Mr. Eric Weaver
6. Executive Director Input
7. Board Member Input
8. Adjournment

RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors

Vail Park and Recreation District dba Vail Recreation District September 24, 2015

A Regular Meeting of the Board of Directors of the Vail Recreation District, Town of Vail, Eagle County, Colorado, was held on September 24, 2015 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. Jeff Wiles, Tom Saalfeld, Billy Suarez
2. MEMBERS ABSENT AND EXCUSED
 - 2.1. Kim Newbury, Kevin Foley
3. STAFF PRESENT
 - 3.1. Mike Ortiz, Jamie Gunion, April Heredia
4. OTHERS PRESENT
 - 4.1. None
5. CONSULTANTS PRESENT
 - 5.1. None
6. CALL TO ORDER
 - 6.1. Director Wiles called the meeting to order at 5:00 p.m.
7. APPROVAL OF MEETING MINUTES
 - 7.1. By motion duly made and seconded it was RESOLVED to approve the minutes of the August 27, 2015 meeting.
8. PUBLIC INPUT OF ITEMS NOT ON THE AGENDA
 - 8.1. None
9. EXECUTIVE SESSION
 - 9.1. By motion duly made and seconded it was resolved to move into Executive Session for the purpose(s): §24-6-402(4) (b), C.R.S., “Conferences with an attorney for the public entity for the purposes of receiving legal advice on

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Vail Recreation District September 24, 2015 Meeting Minutes

specific legal questions §24-6-402(4) (f), C.R.S., “Personnel matters related to Executive Director Mike Ortiz.”

- 9.2. By motion duly made and seconded it was RESOLVED to move out of Executive Session.

10. AUGUST 2015 FINANCIAL REPORT

- 10.1. Mr. Ortiz reported Gymnastics revenues are beginning to pick up as the competitive season and school year programming are underway. Camp Eco Fun revenues were down for the summer and staff is reviewing. Golf revenues include a positive variance for food and beverage, which will help offset the reduction in fall golf during the renovation. F&B is positive this year, but in future year’s staff and service will be monitored per low and high seasons.
- 10.2. All capital projects are in line.

11. EXECUTIVE DIRECTOR’S INPUT

- 11.1. Mr. Ortiz reviewed the following items:
- 11.2. He pointed out, currently there are 60 spots in the golf parking lot. As of Oct. 5 there will be only 30. Valet parking will be offered at no cost to golfers. This will affect rounds played in October, as well as revenues. The goal is to pave that lot this fall to prepare for Nordic and be ready for spring golf.
- 11.2.1. Director Saalfeld questioned where the storm sewer would be located. Mr. Ortiz explained a vault has been found in the driving range, but there will be challenges with making it work. The practice green and chipping greens will be off line for the fall. An expert crew will be hired out to repair the practice and chipping greens in the spring. After Oct. 5 there will be no putting green.
- 11.3. Mr. Ortiz also explained costs for gas powered carts will break even through September. He encouraged the board to keep the carts through Oct. 25 to provide better service for the golfers.
- 11.4. Mr. Ortiz thanked Ms. Gunion for her service with the District. Ms. Gunion has been the District’s marketing director since 2006.

12. BOARD MEMBER INPUT

- 12.1. Director Suarez said the Grill on the Gore was a huge improvement over previous season. The staff did a wonderful job. He is glad golf operations can continue during through construction for the renovation of the clubhouse. He encouraged staff to look at the landscaping around the tennis courts and research sodding behind the courts. The natural grass is not growing.
- 12.1.1. Mr. Ortiz explained, native seed has been laid and is on the sprinkler system. The VRD is maintaining everything south of the sidewalk, including around the tennis courts, down Betty Ford way, etc.

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12.2. Director Saalfeld spoke about the Ford Park upgrade that was completed this summer and conditions of the field.

12.2.1. Mr. Ortiz said the park has been aerified and will be top-dressed and over seeded this fall.

12.3. Director Saalfeld requested cost estimates for GPS on the new golf carts that are being ordered for the spring. He also attended an open gym for Gymnastics and spoke with parents, all are excited about the programming and the new gymnastics coach.

12.4. Director Wiles noted the Vail Valley Soccer Club tournament will be held the first weekend in October. He thanked Community Programming Director Chad Young for helping with the Epic Promise trail building day last weekend. He requested having a clubhouse renovation update.

12.4.1. Mr. Ortiz noted that there are public meetings at 1 p.m. on Wednesdays at Public Works to review the clubhouse renovation.

12.5. Director Suarez explained he spoke with Town Council member Ludwig Kurz who encouraged putting up a large board around the fencing of the clubhouse construction to show what the building will look like when finished.

13. ADJOURNAMENT

13.1. 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,

Jamie Gunion
Secretary to the Meeting

SHERMAN & HOWARD

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KATHLEEN A. ODLE
SHERMAN & HOWARD L.L.C.
DIRECT DIAL NUMBER: (303) 299-8116
E=MAIL: KODLE@SHERMANHOWARD.COM

September 30, 2015

Ms. April Heredia
Vail Recreation District
700 S. Frontage Road East
Vail, Colorado 81657

Re: Employee Benefits

Dear Ms. Heredia:

The purpose of this letter is to confirm Sherman & Howard's engagement as legal counsel for the Vail Recreation District (the "District"). We believe it a good practice to set forth our understanding of the scope of our representation of the District, and other terms of our engagement.

I understand that, while you may ask us to represent the District on a regular basis in the future, our present engagement is limited to the specific matter on which the District has engaged us at this time. I understand that the District has retained us to provide employee benefits advice, specifically with respect to the IRS-required restatement of the District's pension plans.

I will be the partner at the firm who will coordinate and oversee the services we perform on the District's behalf. It may be necessary to delegate some matters to other lawyers or legal assistants in our firm; however, we will try to delegate tasks to those who can properly perform the task at the least cost to the District.

I am enclosing a Memorandum About Firm Policies, which describes our financial arrangements with clients generally and our document retention policy. The ethics of our profession mandate that, upon commencement of a representation, the client understands and agrees with the financial commitments and procedures regarding document retention involved. Although the enclosed memorandum indicates that we sometimes charge on other bases, in this matter we will charge for our work solely on an hourly basis for the time spent by the respective lawyers or paralegals involved. Presently, my hourly rate is \$550.00. We charge for our paralegals on an hourly basis as well. Currently paralegal rates range from \$120.00 to \$250.00 per hour. Our hourly rates are increased periodically, generally at year end. If our hourly rates

Vail Recreation District
September 30, 2015
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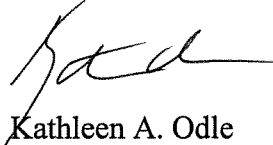
are increased, we will provide the District written notice of those changes, and we will charge at the adjusted rates for work performed after the change. Any such changes will be reflected on our invoices.

If you have any questions concerning this letter or the enclosed memorandum, please let me know. I look forward to working with the District on this matter. Please sign and return the enclosed copy of this letter to acknowledge your understanding and acceptance of the terms of the District's representation with Sherman & Howard.

If you ever disagree with or question the amount of your fee, please do not hesitate to discuss your concerns with me. Our experience has been that such disagreements can be resolved to the satisfaction of both sides with little inconvenience or formality.

I would like to emphasize that we are looking forward to working with the District with respect to these matters and believe that this relationship will continue to be mutually rewarding.

Sincerely,



Kathleen A. Odle

KAO:ac
Encl.

ACCEPTED:

Vail Recreation District

By: _____

Title: _____

Date: _____

MEMORANDUM ABOUT FIRM POLICIES

I. FINANCIAL ARRANGEMENTS

1. Periodic Billings for Legal Services. Unless we have reached a different agreement in a specific matter, the firm submits statements for legal services monthly. These are generally mailed toward the middle of the month following the latest date covered in the statement. In retaining Sherman & Howard, you agree to pay our statements upon presentation. If you do not pay statements within 30 days after receipt, the firm may, at its option, charge a late fee at the rate of 12% per annum on the balance due.

2. Determining the Fee. This firm has offices in Colorado, Nevada, Arizona, Missouri and Georgia. In fixing fees for services, our lawyers are bound by the rules of professional conduct established by the Supreme Courts of those states. These rules list a number of factors to be considered in establishing a fee. These include: time spent; reputation; the skill and experience required to complete the services properly; the extent to which the acceptance of the particular matter will preclude other employment; the amount involved; the results obtained; the time limitations imposed by the client or by the circumstances; the nature and length of the professional relationship with the client; and whether the fee is fixed or contingent.

Generally, the firm fixes the fees for its services based primarily on hourly rates for the lawyers or paralegals performing the services. These rates reflect the experience and expertise of the individuals involved. At the present time, hourly rates for Members and Counsel range from \$415 to \$700; rates for Associates range from \$260 to \$375; and rates for Paralegals range from \$125 to \$230. We adjust hourly rates from time to time, generally at year end. We will use the modified rates in setting fees for work performed after such adjustments. Circumstances, including those set out above, may require departure from the application of hourly rates. When expressly agreed in writing, fees may be fixed on some other basis.

3. Advance Deposits. With new clients or with substantial new matters for existing clients, the firm may require the client to pay an advance deposit. An advance deposit is held by the firm for the protection of its investment of time and effort. By making such a deposit, you agree that the firm has a possessory security interest in the advance deposit for services it has performed and will perform in the future.

Absent instructions from you, the advance deposit will be held in a general firm trust account and all interest on such account will, in accordance with applicable law and court rules, accrue for the benefit of and will be payable to the appropriate legal services or other organization as designated by state law. At your request the firm will deposit, for your benefit, the advance deposit in a separate interest-bearing trust account meeting the requirements of applicable law. If a separate interest-bearing trust account is established pursuant to such request, you will be required to pay any fees imposed by the banking institution to open and maintain such account and to provide its taxpayer identification number (or as applicable, a social security account number), the identity of the local banking institution at which the account is to be established, and the specific type of account desired. In addition, the firm may charge you a fee for extraordinary time and effort in establishing the separate account.

Generally, the firm will apply the advance deposit earned to the final bill and any excess will be returned. It is understood that as work progresses, we will bill for services on a periodic basis and you will pay the full amount of those statements as submitted. We reserve, however, the right, at any time, or from time to time, to apply the advance deposit against fees and expenses billed on our periodic

SHERMAN & HOWARD L.L.C.

statements, and you authorize the firm to do so. If this happens, you will need to replenish the amount of the advance deposit. This will keep the advance deposit at the agreed amount through the course of the representation.

The amount of the advance deposit may be adjusted in accordance with payment history, any change in the scope of our services, and our estimate of future fees and disbursements. Prior to any scheduled trial or the undertaking of significant work, we may require an increase in the advance deposit sufficient to cover all anticipated fees and costs through the conclusion of the trial and any post-trial motions or through the conclusion of the work. You agree to promptly pay any increase that we request. An advance deposit is not an estimate of total fees and costs in the case, and total fees and costs may exceed the amount of any deposit.

4. Paralegals. Certain work may be done by paralegals or legal assistants. Such persons, although not lawyers, have undergone training to perform certain services that would otherwise need to be performed by lawyers. That work is supervised by lawyers. The use of paralegals allows us to deliver legal services to you at a lower cost.

5. Contract Personnel. On occasion, when the nature of a specific engagement or personnel needs require, we may use contract lawyers or paralegals to assist on a specific project. Ordinarily, we bill for their services based on experience and expertise of the individuals on the same basis as for "regular" lawyers and paralegals.

6. Client Disbursements. Most matters require the firm to incur certain expenses on your behalf. Some of these reflect payments to third parties while others represent internal costs incurred to provide services. These expenses include items such as fees for court filings, delivery and copying charges (including electronic copies), travel expenses, computer assisted research and a variety of others. In retaining the firm, you agree that we have the authority to use our judgment in making such expenditures on your behalf and that you will pay such amounts as billed on our periodic statements. We will do our best to minimize these costs and to pass on to our clients any discounts that we obtain. We generally will seek your approval before incurring significant items of expense. If the nature of the matter is such that we anticipate substantial advances, we may require a separate deposit for such purpose. We also may request that substantial individual items such as expert witness fees, the costs of deposition transcripts and major printing costs be billed directly to you by the vendor. You agree to pay such items as billed by the vendors.

7. Arbitration of Disputes. You and we agree that any controversy arising out of or related to your relationship with us shall be settled by binding arbitration in Denver, Colorado. The party wishing to commence the arbitration shall notify the other party. Within fourteen days after the other party's receipt of the notice, both parties shall attempt to agree on the selection of an arbitrator. If the parties do not reach agreement on the selection of an arbitrator during that fourteen-day period, the President of the Judicial Arbitrator Group ("JAG"), 1601 Blake Street, Suite 400, Denver, Colorado 80202, or any successor to that entity, shall designate a member of JAG (or a successor) to arbitrate the dispute. The arbitrator shall follow the rules and procedures of the American Arbitration Association (but the arbitration shall not be conducted by or under the supervision of that organization). You and we further agree to abide by and perform any award and that any award may be enforced by the district court of the county in which the arbitration was conducted.

PLEASE NOTE: By agreeing to arbitrate any disputes with this firm, you are waiving your right to file a lawsuit to resolve such disputes and certain rights you otherwise may have at law (including by way of illustration but not of limitation, any right to a jury trial). By executing and returning this agreement to us, you agree to waive

any such rights that you may otherwise possess in the event of a dispute with the firm.

II. DOCUMENT RETENTION POLICY

Sherman & Howard has adopted a policy for client file retention to comply with applicable legal ethics rules. Under that policy, at the conclusion of our representation of a client in a matter, a responsible firm attorney will direct a review of the file to determine which materials should be retained because of pending proceedings or as a record of the representation and which are no longer needed. Ordinarily, we will retain for several years such materials as correspondence, final substantive work product, documents obtained from the client, and documents obtained from third parties. We may not retain such materials as duplicates of the above-described material, or drafts and notes. Duplicates, drafts and notes are generally no longer needed by the client or by the firm after the conclusion of the representation.

As to the client file materials that we retain, ordinarily the firm will keep files for Business, Real Estate, Litigation and Employment Law matters for seven years, Tax and Estate Plan matters for ten years and Public Finance matters for seven years after the final maturity of the bonds. At the end of that time, unless a client has advised us in writing to the contrary, we will destroy the bulk of the file. We would not destroy original legal documents such as corporate records, employee benefit plans, deeds or contracts, if these original documents are in our file. Nor will we destroy originals or copies of wills, estate plans, or trusts. Ordinarily, we will return those to the client. If the file is especially voluminous, we may return the client documents to the client sooner than the end of this period as our storage facilities are limited.

If a client wishes to make other arrangements for retention or disposition of files, the client should advise the firm in writing. Whatever alternative arrangements are agreed to should be put in writing so both client and the firm are clear on their obligations. If at any time the client's files become subject to legal or administrative process or become relevant to pending or threatened litigation, the client should also advise us of that promptly, so the firm can take appropriate steps to preserve those files.

At the conclusion of a representation, even if the client directs the firm to return files from the representation, the firm always reserves the right to retain a copy of the client files.



Accountant's Compilation Report

October 19, 2015

Board of Directors
Vail Recreation District
Vail, Colorado

We have compiled the accompanying balance sheet of Vail Recreation District as of September 30, 2015 and the related statement of revenues, expenditures and changes in fund balance with budgets for the nine month period then ended. We also compiled the accompanying budget and forecast of revenues, expenditures and changes in fund balance for the year ending December 31, 2015, in accordance with standards established by the American Institute of Certified Public Accountants.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

As a consulting financial manager, we participate in the financial management of the District. Management (with our participation) is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements. We have prepared these financial statements in our capacity as consulting financial managers for the District.

Our responsibilities include conducting the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management (with our participation) has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

A compilation of a forecasted financial statement is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the accompanying forecast and, accordingly, do not express an opinion or any other form of assurance on the forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for calendar year 2014 is presented for comparative purposes only. Such information is taken from the financial statements for the District for the year ended December 31, 2014, which have been audited by McMahan and Associates, L.L.C. and upon which they expressed an unqualified opinion in their report dated June 9, 2015.

We are not independent from an accounting and auditing perspective with respect to Vail Recreation District because we perform certain accounting services that impair our independence.

VAIL RECREATION DISTRICT
 COMBINED BALANCE SHEET
 December 31, 2014 and September 30, 2015

	12/31/14					09/30/15				
	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	3,695,221	400			3,695,621	5,025,375	2,861			5,028,236
INVESTMENTS- RESTRICTED		293,074			293,074		293,579			293,579
ACCOUNTS RECEIVABLE	135,037	12,895			147,932	46,662	9,300			55,962
PROPERTY TAXES RECEIVABLE	2,457,073	256,390			2,713,464	23,176	3,855			27,031
PREPAIDS, DEPOSITS & INVENTORY	476	59,474			59,950	1,884	34,112			35,996
DUE (TO) FROM OTHER FUND	(1,205,900)	1,205,900			0	(1,024,864)	1,024,864			0
LOAN DUE (TO) FROM OTHER FUND	17,223	(17,223)			0	17,223	(17,223)			0
LAND & BUILDINGS			736,190	12,236,839	12,973,029			736,190	12,236,839	12,973,029
EQUIPMENT			732,063	1,599,604	2,331,667			732,063	1,599,604	2,331,667
ACCUM DEPR			(688,157)	(8,339,030)	(9,027,187)			(688,157)	(8,339,030)	(9,027,187)
TOTAL ASSETS	5,099,130	1,810,911	780,096	5,497,413	13,187,550	4,089,455	1,351,350	780,096	5,497,413	11,718,314
LIABILITIES AND FUND EQUITY										
ACCOUNTS PAYABLE	56,712	29,527			86,239	48,669	21,218			69,887
DEFERRED PROPERTY TAXES	2,457,073	256,390			2,713,464	23,176	2,418			25,594
DEFERRED REVENUE	31,042	12,280			43,322	21,187	25,172			46,359
ACCRUED COMPENSATED ABSENCES			34,390	23,236	57,626			34,390	23,236	57,626
ACCRUED INTEREST PAYABLE			0	24,675	24,675			0	24,675	24,675
DUE TO TOV- DOBSON IMPROVEMENTS				0	0				0	0
DUE TO TOV-GYMNASTICS			0		0			0		0
DOBSON BONDS PAYABLE				1,410,000	1,410,000				1,205,000	1,205,000
IMPUTED INTEREST			0	0	0			0	0	0
TOTAL LIABILITIES	2,544,827	298,197	34,390	1,457,911	4,335,325	93,032	48,808	34,390	1,252,911	1,429,141
NET ASSETS										
INV IN FIXED ASSETS, NET OF DEBT			745,706	4,039,502	4,785,208			745,706	4,244,502	4,990,208
RESTRICTED	110,705	278,913			389,618	107,411	278,913			386,324
COMMITTED & ASSIGNED FOR CAPITAL	1,350,000	1,200,000			2,550,000	1,250,000	1,200,000			2,450,000
UNASSIGNED	1,093,598	33,800			1,127,399	2,639,012	(176,372)			2,462,641
TOTAL NET ASSETS	2,554,303	1,512,713	745,706	4,039,502	8,852,224	3,996,423	1,302,541	745,706	4,244,502	10,289,173
TOTAL LIAB & NET ASSETS	5,099,130	1,810,911	780,096	5,497,413	13,187,550	4,089,455	1,351,350	780,096	5,497,413	11,718,314

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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: 10/19/15

Modified Accrual Basis

	2014 Audited Actual	2015 Forecast	2015 Adopted Budget	Variance Favorble (Unfavor)	Percentage Variance Favorble (Unfavor)	9 Months Ended 09/30/15 Actual	9 Months Ended 09/30/15 Budget	Variance Favorble (Unfavor)	Percentage Variance Favorble (Unfavor)
COMBINED REVENUES									
PROPERTY AND OTHER TAXES, NET OF FEES	2,821,839	2,762,074	2,740,695	21,379	1%	2,710,169	2,673,976	36,193	1%
OTHER NON-DEPARTMENTALIZED REVENUES	61,871	62,250	63,750	(1,500)	-2%	43,234	43,195	39	0%
BANQUET ROOM OPERATIONS, NET	-	-	-	-	0%	750	-	750	100%
SPORTS	411,980	369,414	376,349	(6,935)	-2%	337,661	354,129	(16,468)	-5%
GYMNASTICS	193,439	168,518	215,638	(47,120)	-22%	134,425	183,222	(48,797)	-27%
COMMUNITY PROGRAMMING	362,270	348,675	345,400	3,275	1%	326,995	317,968	9,027	3%
OUTDOOR & NORDIC PROGRAM	97,767	84,500	83,000	1,500	2%	30,732	30,239	492	2%
GOLF COURSE	1,287,260	1,355,965	1,236,894	119,071	10%	1,367,688	1,231,984	135,703	11%
TENNIS	37,354	41,538	37,965	3,573	9%	43,214	37,684	5,530	15%
DOBSON	555,582	640,613	575,555	65,058	11%	517,042	449,797	67,245	15%
TOTAL REVENUES	5,829,362	5,833,547	5,675,246	158,301	3%	5,511,909	5,322,195	189,715	4%
OPERATING EXPENSES									
ADMINISTRATION	(641,973)	(663,918)	(640,917)	(23,001)	-4%	(486,737)	(503,154)	16,417	3%
PUBLIC RELATIONS/MARKETING	(220,207)	(247,336)	(249,045)	1,709	1%	(178,365)	(202,877)	24,512	12%
PARK MAINTENANCE	(161,553)	(207,896)	(195,634)	(12,262)	-6%	(140,129)	(146,161)	6,032	4%
FACILITIES MAINTENANCE	(119,689)	(122,462)	(121,746)	(716)	-1%	(89,189)	(89,812)	622	1%
SPORTS	(510,750)	(490,129)	(482,199)	(7,930)	-2%	(370,644)	(400,156)	29,511	7%
GYMNASTICS	(212,015)	(220,499)	(231,307)	10,807	5%	(134,905)	(164,545)	29,640	18%
COMMUNITY PROGRAMMING	(415,404)	(443,693)	(435,429)	(8,264)	-2%	(350,661)	(362,556)	11,895	3%
OUTDOOR & NORDIC PROGRAM	(71,069)	(81,490)	(78,000)	(3,490)	-4%	(61,406)	(59,498)	(1,908)	-3%
GOLF OPERATIONS	(657,681)	(827,212)	(776,418)	(50,794)	-7%	(588,484)	(566,624)	(21,860)	-4%
GOLF MAINTENANCE	(771,021)	(776,743)	(776,479)	(263)	0%	(569,707)	(615,793)	46,087	7%
TENNIS	(80,140)	(69,146)	(67,389)	(1,757)	-3%	(63,248)	(64,466)	1,218	2%
DOBSON	(618,089)	(640,868)	(669,996)	29,128	4%	(453,401)	(506,680)	53,278	11%
ADDITIONAL OPERATING COSTS									
TOTAL EXPENSES	(4,479,591)	(4,791,393)	(4,724,560)	(66,833)	-1%	(3,486,874)	(3,682,320)	195,446	5%
CHANGE IN FUND BAL BEFORE DS & CAP	1,349,770	1,042,154	950,686	91,468		2,025,035	1,639,875	385,160	
DEBT SERVICE	(324,582)	(274,145)	(274,145)	-	0%	(273,644)	(273,645)	1	0%
CHANGE IN FUND BAL BEFORE CAP	1,025,189	768,009	676,541	91,468		1,751,391	1,366,230	385,162	
DONATIONS, LOANS, & SALE OF ASSETS	-	-	-	-	0%	-	-	-	0%
CAPITAL EXPENDITURES	(478,027)	(1,918,725)	(2,374,484)	455,759	19%	(519,443)	(1,185,159)	665,716	56%
LESS UNFUNDED CAPITAL PROJECTS	-	-	-	-		-	-	-	
CONTINGENCY	-	(100,000)	(100,000)	-	0%	-	(100,000)	100,000	100%
TOTAL NET CAPITAL EXPENSES	(478,027)	(2,018,725)	(2,474,484)	455,759	18%	(519,443)	(1,285,159)	765,716	60%
CHANGE IN FUND BALANCE	547,162	(1,250,715)	(1,797,942)	547,227		1,231,948	81,071	1,150,877	
BEGINNING FUND BALANCES	3,519,855	4,067,016	3,903,965	163,051		4,067,016	3,903,965	163,051	
ENDING FUND BALANCES	4,067,016	2,816,301	2,106,023	710,278		5,298,965	3,985,036	1,313,929	
	=	=	=	=		=	=	=	

SUMMARY OF SIGNIFICANT VARIANCES:

GYMNASTICS REVENUES- Numbers are down but are coming back with program and staff rebuilding
 COMMUNITY PROGRAMMING REV- Camp Vail & Camp Eco Fun revenues are lagging.
 GOLF REVENUES- Positive variances at Grill on the Gore offsetting lower daily fee revenues.
 DOBSON REVENUES- The Volvo event was huge for the arena, both in facility rental and concessions. Bob Johnson had another successful year as well.
 PUBLIC RELATIONS EXPENSES- Timing variances, will even out in future months
 GYMNASTICS EXPENSES- Able to make up a portion of the decrease in revenue with savings in expenses.
 COMMUNITY PROGRAMMING EXPENSES- Able to make up a portion of the decrease in revenue with savings in expenses.
 DOBSON EXPENSES- Savings from being down a staff member for multiple months.
 CAPITAL- Bridges likely not to happen until 2016, most projects coming in on track with overall budget.
 FUND BALANCE- Savings at end of 2014 rolled forward to 2015.

VAIL RECREATION DISTRICT DIRECTOR REPORTS
October 22, 2015

GOLF MAINTENANCE

- Staffing issues: only 8 people on staff (should be at 13), plus 2 part time members. Lack of housing availability, and high rents when housing is found is driving staff to other jobs paying more, or to leave the valley completely.
- Aeration of fairways, and seeding, was completed. Have observed new ryegrass seedlings in the fairways that were seeded early in the two week process, a result of our warm fall weather.
- Tees were aerated and sand top-dressed.
- Monday and Tuesday, October 5-6, we core aerated and deep-tine aerated the greens, followed by a sand topdressing.
- We are blowing out/winterizing the irrigation system this week. We moved this procedure back one week from past years as warm fall weather has the potential to damage turf without any natural precipitation.
- Sod from the chipping green transplanted to nurseries on 14 and 15, to be utilized next year if it over-winters well, as it won't be well rooted going into the winter. We'll utilize covers to hopefully prevent damage from drying out.
 - Necessary as the chipping green will be demo'd with installation of the new sewer line from the clubhouse, as well as the practice bunker.
 - Old 18 green will serve as the chipping green area through next season until a new chipping green is built.
- We continue to work on irrigation impacts to holes 10, 18, the driving range, and practice greens areas that tie into the clubhouse renovation. The new sewer and storm water lines are the issues.
 - Justin and Logan installed a new mainline isolation valve on the west end of 18, by the old 18th approach, to avoid loss of irrigation capacity on all of the 18th hole should the contractor have hit the main.
 - The storm water line crossing the range and 10 fairway has forced us to re-route the 16" mainline under the twin 24" drain lines. Scott O'Connell is assisting us in communication and coordination efforts with the contractors.
- Installation of temporary Nordic Facility for this winter, pro shop facility for next summer, at the driving range has been moving forward, with some irrigation impacts needing to be addressed, as well as damage to the range tee from trucks and heavy equipment. Range is closed for the season.
- Gore Creek at Red Sandstone flow has been below 20 c.f.s. since the 24th of September, restricting our irrigation of the golf course since then. We were not able to keep our storage ponds full and could not recharge them in a 24 hour period, so irrigation of the course the last two weeks

was below requirements to replace E.T. rates. Additionally, we could no longer fill ponds on holes 1/9 and 2/8 from our irrigation system because of the low creek flow.

GOLF OPERATIONS

- Our "new" (under construction) operation is running smoothly. We have learned a lot for the spring operations and made adjustments as needed this fall. Our staff has adopted this new set up very well. We strive to have a seamless operation on the outside and working on tweaking operations on the inside.
- We are averaging about 80 players per day. Our revenue is down for September as we have had to adjust number of golfers with the limited parking. Our rough number is about (\$13,000 down) from 2014. This does not include retail since we anticipated this when construction began.
- Staff has still been giving private golf lessons this September. Our driving range is closing on Monday so this will reduce additional range revenue and lesson opportunities.
- Golf operations staff will be assisting our maintenance staff on Monday with the green aerification. We will take care of clean up after the plugs are on the greens. We have 9 staff members helping out.
- We are planning for an additional changes to operations beginning Oct 21st, when the parking lot project begins. We will make these adjustments as needed and will have a plan in place prior to the start of the project.
- The golf course has been playing very well. Scott used a new method on the back nine fairways after aerification and it seemed to heal the aerification quickly. With limited watering the colors are changing with several dry spots starting to appear.
- Alice will start volunteer coaching the Vail Women's Hockey Team - "The Breakaways" on Sunday. This will be her fifth year working with the A2 Team representing Vail. The team will play 14 games this season and the team has won the state tournament the last three out of four years

SPORTS REPORT

- Sports has been busy helping with some community fundraising races. We organized a race for Wild West Days on 9/27, we are put together the first middle school only cross country race on 10/1 on the Eagle Vail Par 3 course, and are helped Battle Mountain High Schools FBLA students with a Zombie run on 10/11.
- Working diligently on sponsor and partner recaps and final reports and billings for the Trail Running and Mountain Bike Series.
- Sports is sad to say goodbye to Marketing Director, Jamie Gunion but excited as she starts her new chapter.
- Beth volunteered at the Outlier Festival, nice to see how other people organize bike races.
- Fall outdoor Adult Leagues (Flag Football and Co-ed soccer) are marching towards their championships this week.
- Drop in Adult Basketball on Monday nights and Drop in Adult Volleyball on Friday nights has begun at Red Sandstone from 6-9 pm. Drop in Soccer will start on Tuesdays when the mountain opens.

- We have hired Max Lajko to manage our evening sports at Red Sandstone, he helped us this summer as on call race staff and is doing a recreation internship with Vail Resorts.
- Adult Volleyball league has begun on Wednesday nights at Red Sandstone
- Our last big event on the field is 10/3 and 10/4 with 130 plus teams attending the Vail Valley Soccer Club Tournament, utilizing fields from VMS to Eagle. Joel helped them with their tournament schedule.
- Continue to work on a sports department reorganization plan.

MARKETING

- Hannah is busy helping Jamie with the transition. She is working on fall school-year programming. Community Programming has a lot of programs coming up.
- Marketing Director Jamie Grunion's final day with the VRD was Oct. 1. She will work on a plan with Mike as the search process continues to hire someone new.
- Paid Search (Digital Marketing) Campaign Results are in through September. Marketing went with a new Digital/Paid Search Consultant. The VRD received nearly 2,500 more visits per month May through September and nearly 3,000 new users (which is great) for the same time period over 2014.
- Hannah has solicited staff for the annual Year in Review information with a goal to finish this in December and utilize as a start to an info piece for election season.
- Intercept Studies are underway for youth sports and day camps, running races and mountain bike races. Golf will wrap up soon. The studies will provide directors with details about how their programs are perceived, where participants are from, avg daily spend, etc. This is the first year the VRD has contracted out these studies for camps and the races.

DOBSON

- We currently have 41 U8 hockey players pre-registered for the fall hockey season. This is good.
- The Colorado Avalanche held an open practice last Saturday which drew about 200 people for the start but the crowd lessened as practice went on. The players signed autographs and took pictures with those waiting after practice. There was a lot of hockey excitement going on in the rink that day.
- We have 15 teams playing in our fall adult hockey league.
- LTS has started with 37 kids participating this fall. This is good considering the fair weather and overlap with soccer.
- StoryTime skating started and we had 16 toddlers attend last Wednesday's session. Participation has been solid so far.
- The VRD middle school XC program has concluded. We had 65 participants between our HPS site and Berry Creek site. We had 58 runners last year. We finished the season with an all middle school meet in Eagle Vail October 1. We had 76 runners race. Eagle Valley's group came down to the race in addition to our runners. It was first class and the high school varsity runners happen to be working out right before the race as the high school coach was impressed with what we had accomplished in such a short time with this program. Jared and

Josiah Middaugh coached at the HPS site and Nanci Almonte (BCMS teacher) and Kenzie Grant (BMHS Alumna) coached at Berry Creek.

PARKS MAINTENANCE

We have been prepping the fields for winter, aeration, overseeding, some top dressing. Still leagues going on for two more weeks, and club sports. Shut irrigation off and blown out. Weather has been beneficial for these projects.

COMMUNITY PROGRAMMING

Community Programming

- Traffic is steady at Imagination Station. We are seeing 3 to 6 families per day, with some days of 10 or more. We have many children/families participating in art, and we have an occasional drop-off.
- Our fitness programming is steady, and has room for additional students. We are adding an acro-yoga and Zumba class in November. Chad is still trying to recruit a Pilates or a Tai Chi instructor. We will plan to market these new classes (and the current classes) extensively in late October.
- The Books & Beverages schedule for October 2 did not happen – lack of participant. Folks asked for us to try a different date; we have it re-scheduled for November 10. People will have some drinks and learn how to sculpt books.
- We had a couple birthday parties in October and more scheduled for November and December.

Summer Camps

- Camp Vail is closed and all is done with the exception of receiving payment on ONE past-due account.
- GPCC camps are closed. There is a short punch-list of items that Scott is working on and should be done by the end of September.

Other

- Town Council approved moving forward with the construction of the skatepark. Construction is underway between the two buildings of the Lionshead Parking structure! This is coming along and is on schedule to open this late fall. Todd O. coordinated with the Town of Eagle to give them the old modular park. It has been hauled to Eagle for storage.
- Chad and Nikki hosted youth activities (bounce house, face painting and bubbles) at the post volunteer BBQ for the VRI Epic Volunteer Day on 9/19. It was fun to have a presence at this important community event.
- Amanda and Caitlin hosted the dunk tank at ECSD's Wild West Day. They were crazy-busy and this was a big money-maker for ECSD – much better than the previous jail.
- Trick or Treat Trot is coming up on Saturday, 10/31.

KidZone

- We hosted three days of School's Out Camp 10/16, 19 and 20. We had about 20 children each day, and children had a great time taking advantage of the good weather and celebrating fall and Halloween.
- The VRD is proud to coordinate with the Youth Foundation on their Power Hours at RSES. Chad will be an academic tutor three days a week for two hours. Chad's previous classroom teaching experience made him qualified for this position. The VRD will invoice the Youth Foundation for Chad's hours. Additionally, the VRD will take some children and a staff member to the enrichment portion of Power Hours. This will allow VRD KidZone children to benefit from the added (cooking, art and athletic) enrichment, and the VRD will help the enrichment teachers by allowing a 2:24 ratio instead of the 1:16 ratio they were planning to have. Mike and Chad have begun to discuss Nordic skiing to see if we can help make this a significant portion of the enrichment come January. Currently, the Youth Foundation has no solution to include Nordic skiing in the Power Hours. The original intent of the Power Hour was Nordic skiing.
- We are bringing 6 children to Learn to Skate at Dobson.

Marketing/Photos (Tooting Our Own Horn)

- We have a Books & Beverages flyer being distributed now and a mass email going out soon.
- We distributed Trick or Treat Trot coloring contests to local elementary and preschools.

BUILDING MAINTENANCE/ F&B

Vail Golf & Nordic Club House Construction

- Utilities and storm water drains are under way, Twin 24" pipes being installed on east side of building excavation
- Parking storm water drain and sanitary sewer next for excavation
- Concrete footing for new building poured (all existing concrete footers and walls were removed after the existing walls that we anticipated reusing were closely inspected and did not meet TOV code requirements. No grout / no rebar!! Based on these findings the structural elements that we wanted to reuse were removed and new footers and walls are being built in the exact location as the old ones. There is no change in the plans of the building other than pouring new elements in the exact location of the previous ones.
- Low voltage plan being reviewed
- The final community info meeting for club house construction was held on Wednesday Oct 14th. There was no community participation, over the course of the 5 week info meetings we had 1 (one) person attend. We interpret this as the project is moving forward with little to no impact to the neighborhood.

Vail Golf & Nordic Temporary Structure

- Trailers are installed and utility hook up are on going
- Concrete footers poured and deck construction should be complete by end of next week.
- Interior wiring and merchandising displays next on schedule

Dobson

- Re-visiting and pricing plans for Dobson F&B renovations
- Looking to hire an F&B concessions supervisor to operate Dobson F&B

Vail Nature Center

- Working on Fall punch lists and scheduling work.
- Start working on capital budget items to be done in 2016

Youth Services Lions Head

- Small repairs at GP and punch lists at Lionhead

Ford Park Concessions

- Successful weekend for Vail Cup Soccer Tournament. Happy guests and we continue to build recognition with promoters for future events.

Vending

- Vending at Ford park and Tennis Center will be shut down at the end of the month

GYMNASTICS

- Vail Gymnastics has welcomed a new girls' team head coach, Maryann Oehlerking. Oehlerking comes from an extensive gymnastics background with experience as a level 10 followed by competition as an NCAA gymnast at the University of Wisconsin OSH-KOSH where she earned All-American honors. Maryann finished her Junior and Senior years at Ball State University, where she competed with Director Julie Cotter.
- The level's 3, 4 and 5 Girls Team competed in their first competition at Colorado West Gymnastics in Grand Junction, CO on September 20th. The Level 3 team took 3rd place team overall.
- The level 3 Girls Team took another 3rd place overall standing at their second competition at the prestigious Aerials Gymnastics in Colorado Springs, while the level 4 team took an impressive 2nd place team finish.
- The gymnastics center will host a Halloween themed "bring a friend" week during the week of October 26th-30th for its recreational students.
- In hopes to support the local community, the gymnastics center volunteered it's time to host 20 of the Vail police departments "in-training" officers for their annual safety training which required soft landing mats and amply space to conduct movements.