

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

5:00 P.M.  
Thursday, May 25 2017  
Town of Vail, Council Chambers  
AGENDA  
REGULAR MEETING

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1. Call to Order
2. Changes to Agenda;
3. Approval of Minutes;
  - a. April 27, 2017
4. Public Input (for matters not otherwise on Agenda/3 minute time limit/no disrupting, pursuant to § 18-9-108, C.R.S.);
5. Unfinished Business;
  - a. Amendment of VRD 401(a) and 457 (b) Pension Plans per Requirements by the IRS-Mr. Eric Weaver
6. New Business and Special Orders;
  - a. None
7. Officers, Committees, Staff, and Professional Consultants;
  - a. Presentation and Acceptance of 2016 Audit-Mr. Dan Cudahy
  - b. April 2017 Financials-Mr. Eric Weaver
  - c. Executive Director Input
  - d. Board Member Input
8. Adjournment

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agenda.doc*

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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  
April 27, 2017

A Regular Meeting of the Board of Directors of the Vail Recreation District, Town of Vail, Eagle County, Colorado, was held on April 27, 2017 at 5:00 p.m. at the Vail Town Council Chambers, Town of Vail, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

1. MEMBERS PRESENT

1.1. Tom Saalfeld, Bill Suarez, Kevin Foley, Roland Kjesbo

2. MEMBERS ABSENT AND EXCUSED

2.1. Kim Newbury Rediker

3. STAFF PRESENT

3.1. Mike Ortiz, Jessie Klehfoth, April Heredia

4. OTHERS PRESENT

4.1. None

5. CONSULTANTS PRESENT

5.1. Eric Weaver, Chris Moffet

6. CALL TO ORDER

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

7. CHANGES TO AGENDA

7.1. None

8. APPROVAL OF MEETING MINUTES

8.1. By motion duly made and seconded it was unanimously RESOLVED to approve the minutes of the March 9, 2017 and March 30, 2017 meeting with Director Saalfeld abstaining from approving the March 30 minutes due to absence for that meeting.

9. PUBLIC INPUT FOR MATTERS NOT OTHERWISE ON AGENDA

9.1. None

10. MARCH 2017 FINANCIALS

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## RECORD OF PROCEEDINGS

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### Vail Recreation District April 27, 2017 Meeting Minutes

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10.1. Mr. Weaver stated that revenues for 2017 are off to a good start. Gymnastics and Community Programming are slightly lower than forecast and this could be due to timing. Dobson is off to a great start for the year, with all programs and the F&B program at the Nordic Center did well. Mr. Weaver stated that operating expenses overall are unfavorable, due to overages in F&B and also due to the purchase of the rental fleet from the former Nordic Center owners, however this should be recouperated in future years with rental income. Other variances are timing related, and Mr. Weaver is working with staff. Mr. Weaver stated that there are no concerns so far.

#### 11. EXECUTIVE DIRECTOR INPUT

11.1. Mr. Ortiz explained to the public about the recent acquisition by the VRD of the Nordic Center operations. The former owners, Shane Sluder and Mia Stockdale wanted to sell their inventory and get out of running the business, and the VRD was interested in purchasing from them. The VRD will be running the Nordic Center for the 2017/18 winter and are currently looking for a Center manager. Mr. Ortiz stated that this is an exciting opportunity for the VRD, and he's looking forward to creating some new and interesting programming.

11.2. Mr. Ortiz talked about the ongoing construction at the golf course clubhouse, and that the plan is to open the course for play on May 12. The VRD will wait until construction is done to open, to ensure public safety. Mr. Ortiz has been hearing from people who are excited to get out on the course, and the VRD is excited to get open once all the construction is completed. Golf course season passes go on sale online on Mon, May 1. Mr. Ortiz explained that due to the configuration of the new clubhouse, there will no longer be the ability to store personal push carts for passholders, however they will be able to store golf bags and may use of one of our push carts or bring their own.

11.3. Mr. Ortiz stated the first short track bike race was last night. We usually see 30-40 people, and last night was 90. He's excited to have so many people to start the season.

11.4. Mr. Ortiz stated that conditions are progressing nicely on the golf course, and the driving range will be fully open when we open. The area where the trailer was will need some repairs, however we can hit in other areas until it's grown in.

11.4.1. Director Suarez asked about season pass sales. These will be available starting May 1 and can be purchased online or by phone. Passholders will need to prove residency when they redeem the pass the first time.

#### 12. BOARD MEMBER INPUT

12.1. Director Kjesbo stated that he enjoyed the morning board retreat and is looking forward to the opening of the golf course.

12.2. Director Suarez commended pickleball director Jerry Stevens for making the

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## RECORD OF PROCEEDINGS

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### Vail Recreation District April 27, 2017 Meeting Minutes

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front page of the Vail Daily a few weeks ago. He said it was great press for the pickleball program.

- 12.3. Director Foley thanked Mrs. Klehfoth and her staff for putting together the summer guide and year in review. He said they looked great and were typo free, and it was great to see local people in the photos. Director Foley also enjoyed being the Easter Bunny for the recent Easter Egg Hunt. He thanked Mr. Chad Young and crew for the great event. Director Foley asked if we could close the gate at Dobson to hide employee cars. He also enjoyed the morning board retreat.
- 12.4. Director Saalfeld stated his excitement for the upcoming Melee in the Mountain roller derby event at Dobson Ice Arena.
- 12.5. Mr. Ortiz reminded the Board about the Wizard of Oz themed gymnastics spring show on Sat., April 29 at 10 a.m.
- 12.6. Director Saalfeld also thanked Mr. Jerry Stevens for an excellent job instructing and running the VRD pickleball program.

#### 13. EXECUTIVE SESSION

- 13.1. By motion duly made and seconded it was RESOLVED to move into Executive Session for the purpose(s):

1. §24-6-402(4) (f), C.R.S., "Personnel matters" - Executive Director Mike Ortiz Evaluation Process Discussion with Moffet Consulting

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

#### 14. ADJOURNMENT

- 14.1. 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

## April Heredia

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**From:** Odle, Kathy <kodle@shermanhoward.com>  
**Sent:** Wednesday, May 03, 2017 12:12 PM  
**To:** April Heredia; 'Eric Weaver'  
**Subject:** Vail Recreation District Employees' Pension Plan - IRS Determination Letter - Amended Plan must be signed by July 26, 2017!  
**Attachments:** Comparison of Adopted Plan with Plan Inc IRS Amendments.DOCX; Vail Rec District Employees Pension Plan - Restatement Eff 1-1-2016 inc. IRS Required Amendments.DOC; 2017.04.27 IRS FDL Cycle E.PDF

Hi April and Eric,

Attached is the favorable IRS determination letter dated April 27, 2017 and issued on the Vail Recreation District Employees' Pension Plan. Please keep this IRS determination letter with your permanent pension plan records.

This determination letter is contingent on the adoption and execution of the minor amendments required by the IRS during their review of the Plan. Those amendments are included in the attached restated Employees' Pension Plan. **This restated Pension Plan must be approved and signed by July 26, 2017.** Please be sure that this restated Employee's Pension Plan is signed by that date, and please send me a signed copy for my files.

For your convenience, I have attached a redlined copy of the Employees' Pension Plan showing the changes made from the version of the Plan that was signed on December 10, 2015 (please remember that the new Plan document also includes the final changes that you agreed to but that were not included in the version of the Plan that was executed in late 2015). Let me know if you have any questions on this.

With this IRS determination letter and the adoption of the attached revised Plan document, the Plan will be fully up to date with all applicable laws!

Let me know if you have any questions about these matters. Thanks much.

Kathleen A. Odle

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**125**  
YEARS

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**SHERMAN & HOWARD**

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**VAIL RECREATION DISTRICT**

**AMENDED AND RESTATED EMPLOYEES' PENSION PLAN**

**Effective January 1, 2016**

**VAIL RECREATION DISTRICT**  
**AMENDED AND RESTATED EMPLOYEES' PENSION PLAN**

THIS AMENDED AND RESTATED PENSION PLAN is adopted by the Vail Park & Recreation District d/b/a Vail Recreation District (hereinafter referred to as the "Employer").

ARTICLE I.  
**NAME AND PURPOSE OF PLAN**

The Employer sponsors a qualified money purchase pension plan for its Employees who qualify as Participants and their Beneficiaries known as the Vail Recreation District Amended and Restated Employees' Pension Plan (hereinafter referred to as the "Plan"), for the purpose of providing retirement benefits for certain of its Employees. The Plan was created and is maintained for the exclusive benefit of the Employer's eligible Employees who qualify as Participants and their Beneficiaries. The Plan was initially adopted November 27, 1989 effective January 1, 1989 and has been amended from time to time since that date. The Employer by this document restates the Plan to incorporate all prior amendments and other changes required by law. Unless governed by Section 2.7, the provisions of the Plan as amended and restated are effective January 1, 2016, shall supersede any and all provisions of the Plan in effect prior to December 31, 2015. Participants who terminate employment prior to January 1, ~~2016~~2016, shall have their benefit under the Plan determined in accordance with the provisions of the Plan in effect on the date of termination of employment. Any Participant who was a Participant in the Plan on December 31, 2015 shall continue as a Participant in the Plan under this amended and restated Plan. The Plan is intended to qualify under the applicable provisions of Section 401(a) of the Internal Revenue Code and the Trust created in conjunction with the Plan is intended to be exempt under Section 501(a) of such Code and all provisions of this Plan shall be construed in accordance with this intention. Since this is a governmental plan, it is not intended that the Plan or Trust comply with any provision of the Employee Retirement Income Security Act of 1974, as amended, except to the extent the requirements of such Act are specifically applicable to governmental plans.

ARTICLE II.  
**DEFINITIONS**

When used herein, the following words shall have the following meanings, unless the context clearly indicates otherwise:

Section 2.1     "Administrator" means the Retirement Board as defined at Section 2.12.

Section 2.2     "Anniversary Date" means the last day of the Plan Year, which is currently December 31.

Section 2.3     "Beneficiary" means the person or entity who, pursuant to Article VI of this Plan, becomes entitled to receive a Participant's interest upon the Participant's death.

Section 2.4 “Break in Service” means any twelve (12) consecutive months of service ending on the Employment Anniversary Date during which an Employee fails to earn a Year of Service for vesting purposes.

Section 2.5 “Code” means the Internal Revenue Code of 1986, as amended. References to a section of the Code shall mean the section in effect at the date of adoption of the Plan, or the corresponding provision, or the provision that is equivalent in purpose and effect, of any subsequent federal tax law.

Section 2.6 “Compensation” means the base salary paid by the Employer to a Participant for services rendered to the Employer, excluding bonuses, overtime pay, severance pay, shift differentials, longevity pay, and any other form of compensation. Compensation shall be determined prior to any reduction for employee pre-tax contributions to a Code §125 cafeteria plan, a §132(f)(4) transportation expense plan, a §457 deferred compensation plan, any other elective deferrals referred to in Code §402(g)(3), and prior to any reduction for voluntary Participant contributions described in Article IV.

The annual compensation of any Participant taken into account under the terms of the Plan for any Plan Year shall not exceed Two Hundred Thousand Dollars (\$200,000), as adjusted for changes in the cost of living pursuant to Code § 401(a)(17) (which adjusted amount is \$265,000 for 2015 and 2016).

Section 2.7 “Effective Date” of this Plan is January 1, 2016, provided that each change to this Plan which is required for compliance with any legislation or regulations shall be effective as of the required date of such provision if before January 1, 2016.

Section 2.8 “Employee” means any person now or hereafter in the employ of the Employer including officers of the Employer, but excluding ~~all directors~~members of the Employer’s board and Employees who are not in the Employer’s employ in any other capacity, and independent contractors. In addition, a leased Employee within the meaning of Code Section 414(n)(2) shall be considered an Employee of the Employer, provided that if such leased Employee constitutes less than twenty percent (20%) of the Employer’s non-highly compensated work force within the meaning of Code Section 414(n), the term “Employee” shall not include any leased Employees covered by a Plan described in Code Section 414(n)(5). A leased Employee for these purposes is any person (other than an Employee of the Employer) who has performed services for the Employer (or for the Employer and related persons as determined under Code Section 414(n)(6)) under an agreement between the Employer and the leasing organization on a substantially full-time basis for a period of at least one year and the services are performed under the primary direction or control of the Employer.

Section 2.9 “Employer” means the Vail Recreation District, a Special District within the State of Colorado. Any action to be taken or determination to be made by the Employer shall be by action of the Board of Directors of the Vail Recreation District except to the extent such authority is delegated by the Board of Directors of the Vail Recreation District.



Section 2.10 “Employment Anniversary Date” means the last day of the twelve (12) month period beginning on an Employee’s date of hire and the same date in subsequent years. For this purpose, an Employee’s date of hire is the first day on which an Employee completes an hour of employment.

Section 2.11 “Full-Time Regular Employee” means a salaried Employee who is classified on the records of the Employer as a full-time, year-round Employee.

Section 2.12 “Retirement Board” means the Trustees appointed pursuant to this Plan.

Section 2.13 “Spouse” or “Surviving Spouse” means the person who is legally married, as determined under the Code, to the Participant, or an individual with whom the Participant has entered into a “civil union” as that term is defined in the Colorado Civil Union Act

Section 2.14 “Total Disability” means a disability which permanently renders a Participant unable to perform satisfactorily the usual duties of the Participant’s employment with the Employer, as determined by a physician selected by the Retirement Board, and which results in the Participant’s termination of service with the Employer. A finding of disability by the Federal Social Security Administration shall be conclusive evidence of disability.

Section 2.15 “Trustee” means the Trustee or Trustees of the Trust Fund established in conjunction with this Plan and any duly appointed and qualified successor or additional Trustees; additionally referred to as Retirement Board.

Section 2.16 “Trust Fund” means the assets of the Trust established in conjunction with this Plan out of which the benefits of this Plan shall be paid and shall include all income of whatever nature earned by the Fund and all increases in fair market value.

Section 2.17 “Year” and “Plan Year” mean the fiscal year of the Trust established pursuant to this Plan. The Plan Year begins on January 1 and ends on December 31.

Section 2.18 “Year of Service” means a twelve (12) consecutive month period ending on an Employment Anniversary Date during which the Employee is a Full-Time Regular Employee throughout such period.

### ARTICLE III. PARTICIPATION OF EMPLOYEES

Section 3.1 Eligibility. Each Full-Time Regular Employee of the Employer shall become a Participant in the Plan on the date of employment or, if later, the date on which the Employee becomes a Full-Time Regular Employee.

Section 3.2 Employer to Determine Participants. The Employer shall have the duty and responsibility of determining when an Employee becomes a Participant and when a Participant is eligible to share in the Employer’s contribution. The determination of the Employer as to the

identity of the respective Participants and as to their respective interests shall be binding upon all Employees, all Participants and all Beneficiaries of the Participants.

ARTICLE IV.  
CONTRIBUTIONS AND LIMITATIONS ON ALLOCATIONS

Section 4.1 Contributions by the Employer for Full-Time Regular Employees.

(a) Employer Contributions for Full-Time Regular Employees. For all Participants who commenced employment as Full-Time Regular Employees prior to January 1, 2003, the Employer shall contribute and pay into the Trust Fund to the credit of the Employer Contributions Account of each such Participant, for each pay period commencing on or after January 1, 2005, an amount equal to 12.5% of each such Participant's Compensation for such pay period.

For all Participants whose employment commencement date is on or after January 1, 2003, the Employer shall contribute and pay into the Trust Fund for each pay period to the credit of the Employer Contributions Account of each such Participant who is a Full-Time Regular Employee an amount equal to 7.5% of each such Participant's Compensation for such pay period.

The Employer shall make payment of its contribution for each pay period in one sum as soon as practical after the end of such pay period. Such contribution shall be made in cash.

(b) Employer Matching Contributions With Respect to Voluntary Contributions by Participants. ~~The~~Solely for Full-Time Regular Employees whose employment commencement date was on or after January 1, 2003, the Employer shall contribute and pay into the Trust Fund for each Plan Year, to the credit of the Employer Contributions Account of each Participant, an amount equal to 100% of the total Voluntary Participant Contributions contributed by each Participant for that Plan Year pursuant to Section 4.2, up to a maximum Employer Matching Contribution for each Participant of 5% of such Participant's Compensation.

~~In addition, for the two Participants who hold the titles of Executive Director and Director of Sports as of January 1, 2016 ("Grandfathered Participants"), the Employer shall contribute and pay into the Trust Fund for each pay period a 5% Employer Matching Contribution under this paragraph regardless of the amount of Voluntary Participant Contributions contributed by the Grandfathered Participants.~~

Section 4.2 Voluntary Contributions by Participants.

Each Participant may make voluntary non-deductible contributions to the Trust Fund for each year in which he or she is a Participant in such amounts as the Participant may elect in the Participant's sole discretion, provided that the total of such amounts, when combined with ~~the Participant's nondeductible Employee~~all other contributions to any ~~other~~ qualified retirement plan maintained by the Employer, will be subject to the lesser of 100% of Compensation or \$40,000 (as adjusted for cost of living increases) limitation as set forth in Section 4.4 below, ~~may not exceed~~

~~the following percentages of the Participant's Compensation for such year. If Employer contribution is:~~

~~17.6%, then 82.4%;~~  
~~16.15%, then 83.5%;~~  
~~11.15%, then 88.85%.~~

A Participant may make a contribution for any year at any time or times during such year, provided such contributions shall be made via payroll deduction and will be credited to the Participant's account within a reasonable period of time after each payroll deduction. The amount, if any, which a Participant contributes to the Trust Fund may vary from year to year and may be contributed in one sum or in installments, provided, that no contribution in any amount less than ten dollars (\$10.00) may be made by the Participant at any one time. All contributions shall be made to the Trustee. No Participant shall have any obligation to make any contribution. Deductible voluntary contributions are not permitted.

Section 4.3 Return of Employer Contributions. Notwithstanding the provisions of Article IX below, a contribution made by the Employer may be returned to the Employer if the contribution is made by reason of a mistake of fact. The amount which may be returned to the Employer is the excess of (i) the amount contributed over (ii) the amount that would have been contributed had there not occurred a mistake of fact. The return to the Employer of the amount involved must be made within one year of the mistaken payment of the contribution or disallowance of the deduction as the case may be.

Section 4.4 Limitations on Allocations.

(a) General Rule. In no event may a Participant receive an allocation for any year which, when combined with the Participant's allocation under any other defined contribution plan established by the Employer, exceeds the lesser of one hundred percent (100%) of the Participant's Compensation for such year or Forty Thousand Dollars (\$40,000), as adjusted for cost of living increases under Code Section 415(d). For the purpose of applying the foregoing limitation, the limitation year shall be the Plan Year. If a short limitation year is created as a result of a change in the limitation year, the dollar limitation for such short limitation year shall be the dollar limitation set forth in this subsection multiplied by a fraction, the numerator of which is the number of months in such short limitation year and the denominator of which is twelve (12).

(b) Allocations. For the purpose of applying the limitations of this section, the allocation to the Participant shall include the following amounts allocated to the account of a Participant for a limitation year: (i) Employer contributions, (ii) forfeitures, and (iii) contributions made by the Participant. For the purpose of applying limitations of this Section, Compensation from and allocations received under any retirement plan maintained by any other employer which is a common member with the Employer of either a controlled group of businesses or an affiliated service group, as prescribed by law or regulation, shall be counted.

(c) Excluded Amounts. Allocations shall not include (i) restorative payments made to restore losses to the Plan resulting from actions by a fiduciary for which there is a

reasonable risk of liability for breach of fiduciary duty under applicable Colorado law, where participants who are similarly situated are treated similarly with respect to the payments; (ii) the direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (iii) rollover contributions as described in Code Sections 401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16); (iv) repayments of loans made to a participant from the Plan; or any other amount not mentioned in subparagraph (b) shall not be considered an allocation.

(d) Treatment of Excess. If the annual additions (within the meaning of Code Section 415) are exceeded for any Participant, then the Plan may only correct such excess in accordance with the Employee Plans Compliance Resolution System (EPCRS) as set forth in Revenue Procedure 2006-27 or any superseding guidance, including, but not limited to, the preamble of the final Treasury Regulations under Code Section 415.

(e) Compensation. For the purposes of this Section 4.4, “Compensation” shall mean Compensation as defined in Section 2.6, provided that any taxable compensation excluded under such Section shall be included as Compensation under this Section. In addition, the following amounts shall be included in “Compensation”:

(i) wages and other regular pay, including overtime or shift differentials, commissions, bonuses, or other similar payments, received by a Participant within the later of 2 ½ months after the Participant’s termination of employment or the end of the limitation year in which the Participant’s termination of employment occurs, but only to the extent such wages and other regular pay represents payment for services performed prior to termination of employment and would have been paid to the Participant if he or she continued employment with the Employer; and

(ii) vacation and sick leave payments received by a Participant within the later of 2 ½ months after the Participant’s termination of employment or the end of the limitation year in which the Participant’s termination of employment occurs, but only to the extent such vacation and sick leave payments are for unused bona fide sick, vacation or other leave and the Participant would have been able to use the leave if he or she continued employment with the Employer; and

(iii) amounts received pursuant to a nonqualified deferred compensation plan, but only if the payment would have been paid such amounts at the same time if the Participant had continued in employment with the Employer and only to the extent the payment is included in the Participant’s gross income.

Further, for the purposes of applying the limitations of this Section 4.4, “Compensation” shall not include:

(i) payments to a Participant who does not currently perform services for the Employer by reason of qualified military service;

(ii) amounts paid to a Participant who is permanently and totally disabled; or

(iii) any amounts earned by a Participant but not paid during the limitation year solely because of the timing of pay periods and pay dates.

In addition, any “differential wage payments” made by an Employer to an Employee with respect to the Employee’s qualified military service, as defined in Code Section 3401(h)(2), shall be included in the Employee’s “Compensation” for purposes of this Section 4.4.

ARTICLE V.  
DETERMINATION AND VESTING OF PARTICIPANTS’ INTERESTS

Section 5.1 Allocation of Employer Contributions. The contributions made by the Employer to the credit of the accounts of Participants eligible to participate in the allocation of the Employer Contributions shall be allocated to the Employer Contributions Accounts of Participants not less frequently than monthly, subject to the limitations set forth in Section 4.4 above.

Section 5.2 Allocation of Earnings, Losses and Changes in Fair Market Value of the Net Assets of the Trust Fund.

(a) General Rule. Earnings and losses of the Trust Fund and changes in the fair market value of the net assets of the Trust Fund shall be allocated to the Participants as of each regular valuation date and at such other dates as determined by the Retirement Board in the ratio which the total dollar value of the interest of each such Participant in the Trust fund bears to the aggregate dollar value of all of such interests of all such Participants as of the last previous regular valuation date.

(b) Special Rule When There Are Segregated Accounts. For the purpose of the foregoing allocations, the amount of each Participant’s interest in the fund, if any, that is held in a segregated account pending distribution pursuant to Article VII below, and the earnings and losses resulting thereto, shall be excluded. The segregated account of a Participant shall alone participate in the income, gains or losses of the property so segregated and alone be liable upon contracts made for its benefit or liabilities arising from such investment. Any extraordinary expenses resulting from the investments made at the direction of the Participant shall be borne solely by such Participant’s segregated account.

(c) Special Rule When Invested in Daily Valuation Accounts. Notwithstanding anything in the Plan to the contrary, if a Participant directs investment of his funds pursuant to Section 5.5, and the Participant directs the investment of the funds into funds which are suitable for daily valuation and represented and approved by the Retirement Board as being valued daily, then daily valuation shall apply. If daily valuation applies, on each business day of the Plan Year, a daily determination of unrealized and realized gains and losses, interest, dividends and capital gain distributions will be calculated and allocated based on the actual activity in each Participant’s account rather than the method described in Section 5.2(a). Activity includes, but is not limited to,

allocation of contributions, forfeitures and distributions. A Participant's transfers from other qualified plans and voluntary contributions in the general Trust Fund shall share in any earnings and losses (net appreciation or net depreciation) of the Trust Fund in the same manner provided in this Section 5.2(c) if the transfers or voluntary contributions are invested as required by this Section 5.2(c).

Section 5.3 Participant Accounts. The following accounts shall be maintained for the Participants in the Plan:

(a) Employer Contributions Account. The account maintained for a Participant to record his share of the contributions of the Employer, including Employer Matching Contributions, and all amounts transferred (if any) from the Participant's account in the Town of Vail Pension Plan, and adjustments relating thereto.

(b) Participant Contributions Account. The account maintained for a Participant to record his current interest in the Trust Fund resulting from all Voluntary Participant Contributions made by the Participant on or before December 31, 2015, and adjustments relating thereto.

(c) Participant Rollover Account. The account established to hold and account for the contributions rolled over from another qualified plan.

The term "Aggregate Account" means the value of all accounts maintained on behalf of a Participant. The maintenance of individual accounts is only for accounting purposes, and a segregation of the assets of the Trust Fund to each account shall not be required.

Section 5.4 Valuation of Accounts.

(a) Regular Valuation. The regular valuation dates of the Trust Fund shall be the last day of each calendar quarter (March 31, June 30, September 30 and December 31) at which time the Retirement Board shall determine the value of the net assets of the Trust Fund, i.e., the value of all of the assets of the Trust Fund at fair market thereof, less all liabilities, both as known to the Trustee, and the value of contributions by the Employer for such year. In the event that distribution is made to a Participant, the valuation of such Participant's account shall occur as of the end of the quarter prior to such distribution. Notwithstanding the foregoing, if the Participant's account or a portion of the Participant's account is invested in accordance with Section 5.2(c), then the valuation of such Participant's account or portion of the Participant's account shall occur as of the date of the distribution. For a Participant's account that is not invested in accordance with Section 5.2(c) or for the remainder of a Participant's account that is not invested in accordance with Section 5.2(c), in no event shall valuation take place prior to the end of the quarter in which distribution is requested by the Participant.

Section 5.5 Participant Direction of Investment. The Plan Administrator may establish rules, regulations and policies to permit each Full-Time Regular Employee who is a Participant to direct the investment of funds allocated to that Participant's Aggregate Accounts. The Plan

Administrator shall select and make available several investment vehicles which Participants may elect to invest the funds allocated to their Aggregate Accounts. The Plan Administrator shall adopt and establish rules, regulations and policies concerning Participant direction of investment, options available, election forms, limitations on the type or mix of investment vehicles and procedures for Participants to change their investments.

Section 5.6 Vesting of Participants' Interests.

(a) Participant's Contributions. A Participant's interest in his or her Voluntary Participant Contributions made pursuant to Section 4.2, and the earnings, losses and changes in fair market value thereof, shall be fully vested at all times.

(b) Contributions for Full-Time Regular Employees Hired Before July 1, 1986. In the case of a Participant who is a Full-Time Regular Employee whose date of employment with the Employer is prior to July 1, 1986, such Participant's vested percentage in Employer contributions made on the Participant's behalf pursuant to Section 4.1 at any time shall be determined according to the following schedule, based upon Years of Service:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
1	77.5%
2	85%
3	92.5%
4 or more	100%

(c) Contributions for Full-Time Regular Employees Whose Date of Employment is After June 30, 1986. In the case of a Participant who is a Full-Time Regular Employee whose date of employment with the Employer or the Town of Vail is after June 30, 1986, such Participant's vested percentage in Employer contributions made on the Participant's behalf pursuant to Section 4.1 at any time shall be determined according to the following schedule, based upon the Participant's Years of Service:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

(d) Lay-Off. Notwithstanding the schedules of vesting set forth in paragraphs (b) and (c) above, any Employee who is laid off by the Employer prior to the time at which he has

completed at least one Year of Service, such Employee shall be considered to have one Year of Service for vesting purposes at the time he terminates employment as a result of such lay off.

(e) Death or Attainment of Normal Retirement Age. A Participant shall be 100% vested in the event the Participant dies, becomes Totally Disabled, attains his or her normal retirement age while still employed by the Employer, or has terminated employment because of a Total Disability but has not commenced receiving a disability benefit.

(f) Forfeitable Interests. Any portion of the interest of a Participant which shall not have become vested shall be a forfeitable interest. A forfeiture shall occur on the earlier of the distribution of the vested account balance of the Employer Contributions Account or a Break in Service. All forfeitures, including earnings thereon, shall be applied to pay the expenses of the Plan and Trust, or be applied to reduce the contribution of the Employer, in the discretion of the Retirement Board.

Section 5.7 Determination of Years of Service for Vesting Purposes. In determining a Participant's Years of Service for vesting purposes, all of the Participant's service with the Employer and Town of Vail shall be taken into account subject to the following limitations:

(a) A Year of Service for vesting purposes means a twelve (12) consecutive monthly period ending on an Employment Anniversary Date during which the Employee is a Full-Time Regular Employee throughout such twelve-month period and is employed on the Employment Anniversary Date. Notwithstanding the foregoing, any Employee who is laid off or is terminated by the Employer prior to the time at which he has completed at least one Year of Service, such Employee shall be considered to have one Year of Service for vesting purposes at the time he terminates employment as a result of such lay off or termination.

(b) If a Participant incurs a Break in Service, service prior to such Break in Service shall be counted in determining the Participant's vested interest in Employer contributions made after he returns to the employ of the Employer.

(c) All service with the Town of Vail shall be counted for vesting purposes as if it were service with the Employer.

Section 5.8 Leaves of Absence; Military Service. A leave of absence not in excess of one year granted by the Employer for purposes other than military service shall not be considered as a Break in Service or a termination of employment. The Employer may, from time to time, extend such leave of absence for additional periods of not in excess of one year each in accordance with the personnel rules and regulations of the Employer.

Any Employee or Participant who has entered or enters the Armed Forces of the United States shall be presumed to be on a leave of absence, regardless of the length of such service, and such leave of absence shall not be considered as a Break in Service or a termination of employment, provided such leave is in compliance with the personnel rules and regulations of the Employer.



A Participant shall not be credited with service during any period during which he is on a leave of absence or in military service, as provided above unless he receives or is entitled to receive Compensation from the Employer for such period.

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

If a Participant's death occurs while the Participant is performing qualified military service (as defined in Code Section 414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's qualified military service as service for vesting purposes, as though the Participant had resumed employment under USERRA immediately prior to the Participant's death.

Section 5.9 Vesting Upon Termination of Plan or Discontinuance of Contributions to the Plan. Upon the termination, or partial termination, of the Plan or the complete discontinuance of contributions under the Plan to the Trust, the interests of all affected Employees shall become fully and completely vested and non-forfeitable for all purposes.

## ARTICLE VI.

### RETIREMENT DATE -- DETERMINATION OF BENEFICIARY

Section 6.1 Retirement Date. The normal retirement age for each Participant shall be sixty (60) years. An Employee may elect to retire voluntarily for purposes of this Plan after attaining the age of fifty (50) years, provided the Participant has completed four (4) Years of Service (as determined pursuant to Section 2.17) prior to such retirement. A Participant shall be entitled to retire voluntarily on or after the Participant's normal retirement date, which is the date upon which the Participant attains normal retirement age. Until actual retirement, a Participant shall continue to participate in the Plan.

#### Section 6.2 Determination of Beneficiary.

(a) Designation of Beneficiaries. A Participant shall have the right to designate a Beneficiary or Beneficiaries and one or more contingent Beneficiaries to receive the Participant's interest in the Trust Fund upon his death, such designation to be made on the form prescribed by and delivered to the Retirement Board. The Participant shall have the right to change or revoke any such designation from time to time by filing a new designation or notice of revocation with the Retirement Board, and no notice to any Beneficiary nor consent by any Beneficiary shall be required to effect any such change or revocation.

(b) Determination of Beneficiary When There is no Designated Beneficiary. If a Participant shall fail to designate a Beneficiary before the Participant's death, or if all designated Beneficiaries or contingent Beneficiaries should die, cease to exist or disclaim their interests prior

to distribution, the Retirement Board shall pay the Participant's interest in the Trust Fund to the Participant's surviving Spouse or Civil Union Partner (as determined under Colorado law), if any, or if none, then to the personal representative of the Participant's estate. If, however, no personal representative shall have been appointed, and the actual notice thereof given to the Retirement Board within one hundred twenty (120) days after the Participant's death, the Retirement Board may pay the Participant's interest to such person or persons as may be entitled thereto under the laws of the state where such Participant resides at the date of the Participant's death, and in such case, the Retirement Board may require such proof of right or indemnity from such person or persons as the Retirement Board may deem necessary.

## ARTICLE VII. DISTRIBUTION FROM TRUST FUND

Section 7.1 When Interests Become Distributable and Effect Thereof. When a Participant dies, suffers total disability, retires or terminates his or her employment for any other reason, or attains normal retirement age while remaining an Employee of the Employer, the Participant's vested interest in the Trust Fund shall thereupon become distributable as hereinafter provided in this Article. Distribution shall not be permitted prior to the occurrence of one of the foregoing events other than to comply with the distribution commencement date requirements of Section 7.4 or to comply with a domestic relations order pursuant to Section 7.9(b).

Section 7.2 Notification of Trustee. As soon as possible after a Participant's vested interest shall have become distributable, the Retirement Board will determine the Participant's address, the amount of the Participant's vested interest which has become distributable, the reason for its having become distributable and the manner of distribution in accordance with the Plan.

### Section 7.3 Time of Distribution.

(a) Distribution Upon Retirement or Disability. If a Participant retires on or after the Participant attains normal retirement age or becomes totally disabled, his interest shall be distributable commencing no later than the earlier of sixty (60) days after the close of the Plan Year in which the Participant's termination of employment occurs, or the required distribution commencement date set forth in Section 7.4, subject to the consent requirements of subsection (e) of this Section.

(b) Distribution Upon Death. If a Participant dies, the Participant's interest shall be distributable commencing no later than sixty (60) days after the close of the Plan Year in which the Participant's death occurs.

(c) Distribution Upon Other Termination of Employment. If a Participant terminates his or her employment for any reason other than retirement, disability or death, and the Participant's Aggregate Account, determined under Section 5.3, is less than \$1,000, such interest shall be distributed without the consent of the Participant commencing no later than the last day of the Plan Year after the Participant incurs a Break in Service.

(d) Distribution of Participant's Interest in Employer's Contribution for Year of Termination. The vested interest of the Participant in the Employer's contribution for the year of termination shall be distributed to the Participant or his or her Beneficiary as soon as practicable after the end of such year by the allocation of such interest to the Participant's account.

(e) Participant Consent and Deferral Election. No distribution under this Plan may be made to a Participant whose Aggregate Account, determined under Section 5.3, exceeds \$1,000 prior to the later of the Participant's normal retirement age, or the Participant's sixty-second (62nd) birthday, without the Participant's written consent. A Participant may elect, with the consent of the Retirement Board, to have the commencement of the Participant's benefit deferred until a date later than the date specified in subsection (a), (b) or (c) of this Section 7.3, but in no event shall the commencement of distribution be later than the required distribution commencement date specified in Section 7.4. Any election under this subsection shall be made by submitting to the Retirement Board a written request, signed by the Participant which describes the benefit and the date on which the payment of such benefit shall commence.

(f) Distribution of a Participant's Contributions. Any other provision of this Section 7.3 to the contrary notwithstanding, a Participant, in the event of the termination of his or her employment for any reason, shall be entitled to receive payment in one lump sum of his or her interest in the Trust Fund represented by his or her Voluntary Participant Contributions, provided he makes written demand therefor upon the Retirement Board. The earnings, gains and increases in fair market value of the Participant's Voluntary Contributions Account shall be distributed at the same time and in the same manner as the Participant's interest attributable to Employer Contributions.

(g) Distribution After Attainment of Normal Retirement Age. If a Participant attains normal retirement age while remaining an Employee of the Employer, his or her interest shall be distributed in whole or in part upon his or her election, subject to the consent requirements of subsection (e) of this Section.

Section 7.4 Required Distribution Commencement Date. Distribution of a Participant's interest must begin no later than April 1 of the calendar year following the calendar year in which takes place the later of the date the Participant attains the age of seventy and one-half (70-1/2) or the date the Participant retires.

Section 7.5 Manner of Distribution. When a Participant's interest shall become distributable, the Participant shall elect the form and timing of the distribution. The Participant shall determine the form of distribution by filing a written election with the Retirement Board. Distribution may be made in one or more of the following methods:

(a) Lump Sum Distribution. The Participant's interest may be paid to the Participant or his or her Beneficiary by the distribution of the total vested balance of the Participant's account in one lump sum.

(b) Installments. The Participant's interest may be paid to the Participant or his or her Beneficiary in substantially equal periodic installments (not more frequently than monthly). Such installments shall not extend over a period exceeding the Participant's or Beneficiary's life expectancy.

Section 7.6 Limitation on Duration of Payments. Whenever an amount becomes distributable to a Participant, such amount shall be distributed over a period not exceeding the longer of (i) the longer of the life or the life expectancy of the Participant, or (ii) the longer of the joint lives or the joint life expectancies of the Participant and an individual designated as a Beneficiary by the Participant. To the extent distribution is made after the Participant attains the age of seventy and one-half (70-1/2), if not paid in a lump sum, the distribution must be made in accordance with the "required minimum distribution" rules in Section 7.7. The present value of the benefits payable solely to the Participant under any elected method must exceed fifty percent (50%) of the total benefits payable to the Participant and his or her beneficiaries, unless distribution is in the form of a qualified joint and survivor annuity.

Section 7.7 Required Minimum Distributions.

(a) General Rules.

(i) Precedence. The requirements of this Section 7.7 will take precedence over any inconsistent provisions of the plan.

(ii) Requirements of Treasury Regulations Incorporated. All distributions required under this Section 7.7 will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(iii) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.

(B) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 7.7(b), other than Section 7.7(b)(1), will apply as if the surviving spouse were the Participant.

(iv) For purposes of this Section 7.7(b) and Section 7.7(d), unless Section 7.7(b)(4) applies, distributions are considered to begin on the Participant's required beginning date. If Section 7.7(b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 7.7(b)(1).

#### Section 7.8 Required Minimum Distributions During Participant's Lifetime.

(a) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(i) the quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(ii) if the Participant's sole designated beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

Required minimum distributions will be determined under this Section 7.7(c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

#### Section 7.9 Required Minimum Distributions After Participant's Death.

(a) Death On or After Date Distributions Begin.

(i) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated beneficiary, determined as follows:

(A) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(B) If the Participant's surviving spouse is the Participant's sole designated beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(C) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, the designated beneficiary's remaining life expectancy is calculated using the age of the beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(ii) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(b) Death Before Date Distributions Begin.

(i) Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated beneficiary, determined as provided in Section 7.7(d)(1).

(ii) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 7.7(b)(1), this Section 7.7(d)(2) will apply as if the surviving spouse were the Participant.

Section 7.10 Definitions. The following definitions apply to ~~this Section 7.7.~~[Sections 7.7 through 7.9.](#)

(a) Designated Beneficiary. The individual who is designated as the Beneficiary by a Participant, or by the Plan, who is a “designated beneficiary” under Code Section 401(a)(9) and Section 1.401(a)(9)-~~1, Q&A-4, 4~~ of the Treasury Regulations.

(b) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant’s death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant’s required beginning date. For distributions beginning after the Participant’s death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 7.7(b). The required minimum distribution for the Participant’s first distribution calendar year will be made on or before the Participant’s required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant’s required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(c) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(d) Participant’s Account Balance. The balance of all of the Participant’s Accounts as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(e) Required Beginning Date. The latest date for commencement of distributions for a Participant, as determined under Section 7.4 of the Plan.

#### Section 7.11 Withdrawals.

(a) Employer and Contributions. A Participant may not at any time withdraw any part of his or her interest in his or her Employer Contributions and the earnings, losses and changes in the fair market value thereof, except as provided in Section 7.1.

(b) Participant’s Voluntary Contributions. A Participant may request the withdrawal from his or her voluntary non-deductible contributions account of any amount in such account, including earnings and funds in such account. A Participant desiring such a withdrawal shall file a written request with the Retirement Board stating the amount to be withdrawn. The Retirement Board shall then distribute the amount requested to the Participant. The right to withdraw such contributions shall be available to all Participants in a non-discriminatory manner.

#### Section 7.12 Spendthrift Provisions.

(a) Nonalienation of Benefits. Except as otherwise provided hereunder, all amounts payable hereunder by the Retirement Board shall be paid only to the person or persons entitled thereto, and all such payments shall be paid directly into the hands of such person or persons and not into the hands of any other person or corporation whatsoever except for transfers to other qualified retirement plans or individual retirement accounts at the written direction of a Participant, and such payments shall not be liable for the debts, contracts or engagements of any such person or persons, or taken in execution by attachment or garnishment or by any other legal or equitable proceedings; nor shall any such person or persons have any right to alienate, anticipate, commute, pledge, encumber or assign any such payments or the benefits, proceeds or avails thereof; provided that nothing herein shall affect, restrict or abridge any right of setoff, lien or security interest which the Trust may have in the Participant's interest as a result of its use as security for a Participant loan to such Participant.

(b) Domestic Relations Order. Notwithstanding any other provision of this Plan, the Trustee, in accordance with the direction of the Plan Administrator, must comply with the provisions of a DRO, as provided in Colorado Revised Statutes Section 14-10-113(6), which is issued with respect to the Plan. This Plan specifically permits distribution to an alternate payee under a DRO at any time, irrespective of whether the Participant has attained his/her earliest retirement age (as defined under Code Section 414(p)) under the Plan. A distribution to an alternate payee prior to the Participant's attainment of earliest retirement age is available only if: (1) the DRO specifies distribution at that time or permits an agreement between the Plan and the alternate payee to authorize an earlier distribution; and (2) if the present value of the alternate payee's benefits under the Plan exceeds \$1,000, and the DRO requires, the alternate payee consents to any distribution occurring prior to the Participant's attainment of earliest retirement age. Nothing in this Section 7.9(b) gives a Participant a right to receive distribution at a time the Plan otherwise does not permit nor does Section 7.9(b) authorize the alternate payee to receive a form of payment the Plan does not permit.

The Plan Administrator must establish reasonable procedures to determine the qualified status of a domestic relations order. Upon receiving a domestic relations order, the Plan Administrator promptly will notify the Participant and any alternate payee named in the order, in writing, of the receipt of the order and the Plan's procedures for determining the qualified status of the order. Within a reasonable period of time after receiving the domestic relations order, the Plan Administrator must determine the qualified status of the order and must notify the Participant and each alternate payee, in writing, of the Plan Administrator's determination. The Plan Administrator must provide notice under this paragraph by mailing to the individual's address specified in the domestic relations order, or in a manner consistent with Colorado law.

If any portion of the Participant's interest is payable under the domestic relations order during the period the Plan Administrator is making its determination of the qualified status of the domestic relations order, the Plan Administrator must maintain a separate accounting of the amounts payable. If the Plan Administrator determines the order is a DRO within 18 months of the date amounts first are payable following receipt of the domestic relations order, the Plan Administrator will direct the Trustee to distribute the payable amounts in accordance with the



DRO. If the Plan Administrator does not make its determination of the qualified status of the order within the 18-month determination period, the Plan Administrator will direct the Trustee to distribute the payable amounts in the manner the Plan would distribute if the order did not exist and will apply the order prospectively if the Plan Administrator later determines the order fulfills the requirements applicable to a DRO.

To the extent it is not inconsistent with the provisions of the DRO, the Plan Administrator may direct the Trustee to segregate the DRO amount in a segregated investment account. The Trustee will make any payments or distributions required under this Section 7.9(b) by separate benefit checks or other separate distribution to the alternate payee(s).

### Section 7.13 Authorization of Loans to Participants.

(a) Availability of Loans. The Employer may permit Participant loans. Any such loan shall be made at the request of the Participant or Beneficiary and shall be subject to the requirements set forth in this Section. To the extent loans are made available, such loans shall be available to all Participants or Beneficiaries on a reasonably equivalent and non-discriminatory basis. The Retirement Board may maintain a Participant Loan Policy, which may impose additional limitations, restrictions and requirements which the Retirement Board determines are necessary or appropriate provided such loans remain available on an equal, non-discriminatory basis to all Participants.

(b) Limitation on Amount of Loans. Any loan, when combined with the principal balance due on all other loans made to the Participant by any qualified retirement plan maintained by the Employer, shall not exceed the lesser of Fifty Thousand Dollars (\$50,000), reduced by the highest outstanding balance of such loans to the Participant during the one year period ending on the day before the date a loan is made, or fifty percent (50%) of such Participant's vested interest.

(c) Repayment of Loans. Any loan must be repaid in substantially level amortized installments of principal and interest, payable at least quarterly over the term of the loan. Any loan shall be repaid within five (5) years unless such loan is for the purpose of the acquisition of a principal residence for the Participant. Such a loan for a residence must be repaid over a reasonable period of time.

(d) Interest Rate. Participant loans shall bear a reasonable rate of interest, as determined under the Participant Loan Policy.

(e) Security. All Participant loans shall be adequately secured. Fifty percent (50%) of the vested interest of the Participant in the Trust Fund shall be security for the repayment of such loan and the Retirement Board may require security in addition to the Participant's vested interest if it deems it necessary or if the Participant fails to consent to the use of his or her vested interest as security.

(f) Default. Notwithstanding any other provision of this Section, if a Participant loan made pursuant to this Section is not in default if a Participant fails to make two months scheduled loan repayments, provided that by the last day of the following month such delinquency is cured. A loan shall be deemed to be in default if the Participant misses three consecutive months of scheduled loan repayments. Once the loan is in default, it shall become immediately due and payable as of the last day of the month in which it is deemed in default. The Retirement Board may take any action it considers appropriate to collect the unpaid balance and accrued interest of the loan in default pursuant to the Participant Loan Policy. Until a loan in default is satisfied, it shall continue to bear interest at the rate provided in the note plus additional interest of two percent (2%) per annum.

Section 7.14 Claims Procedures. Upon a Participant's termination of service with the Employer for any reason, the Participant or the Participant's Beneficiary will be advised by the Retirement Board of his or her rights to benefits under the Plan. If at any time the Participant or the Participant's Beneficiary feels that he or she is entitled to benefits, he or she may make a claim for benefits by writing a letter to the Retirement Board requesting the benefits and stating why he or she feels he or she is entitled to them.

If the claim for benefits under the Plan of any Participant or Beneficiary has been denied, the Retirement Board shall provide adequate notice, in writing, to such Participant or Beneficiary within ninety (90) days after the claim is filed. Such notice shall set forth the specific reasons for such denial, specific reference to pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect his or her claims, if any, and an explanation of why such material or information is necessary, and appropriate information as to the steps to be taken if the Participant or Beneficiary wishes to submit his or her claim for review. If a notice of the denial of a claim is not furnished within ninety (90) days, the claim shall be deemed to be denied and the claimant shall be permitted to submit his or her claim for review at that time. Each claim submitted for review shall be entitled to a full and fair review by the Retirement Board (or by a person designated by the Retirement Board) of all the facts and circumstances and the preliminary decision denying such claim. The Participant or Beneficiary may request such a review upon written application, he or she may review pertinent documents and he or she may submit issues and comments in writing. Any such review must be requested within seventy-five (75) days of the original claim denial, and a decision on such claim shall be made not later than sixty (60) days after the Plan's receipt of such request. The decision on review shall be in writing and shall include the specific reasons for the decision, written in a manner calculated to be understood by the claimant as well as specific references to the pertinent Plan provisions on which the decision is based.

## ARTICLE VIII.

### CONTINUANCE, TERMINATION AND AMENDMENT OF PLAN AND TRUST

Section 8.1 Continuance of Plan by Successor Government. A successor government may continue this Plan by proper action of its legislative body by executing a proper supplemental agreement to this Plan and by executing a proper supplemental agreement to the Trust Agreement

established in conjunction with this Plan with the Trustee. All Participants in this Plan shall have those rights and obligations they had under the previous government.

Section 8.2 Distribution of Trust Fund on Termination of Plan. If the Plan shall, at any time, be terminated by the terms of this Article, the value of the Aggregate Account of each respective Participant or Beneficiary in the Trust Fund shall be vested in its entirety and non-forfeitable as of the date of the termination of the Plan. Upon the termination of the Plan, the Employer in its discretion may either terminate the Trust or continue the Trust in existence. If the Trust is then terminated, the assets of the Trust Fund shall be immediately distributed to the Participants or their Beneficiaries in cash or in kind. If the Trust is continued, the assets shall be distributed to the Participants or their Beneficiaries in accordance with the provisions of Article VII above.

Section 8.3 Amendment or Termination of Plan and Trust Agreement.

(a) In General. The Employer may at any time and from time to time amend this Plan and the Trust Agreement established pursuant to this Plan, or terminate this Plan and the Trust Agreement established pursuant to this Plan. In addition, no amendment may be made at any time which diverts the Trust Fund to purposes other than for the exclusive benefit of the Participants and their Beneficiaries, and provided further that no amendment shall discriminate in favor of Employees who are partners, officers or Highly Compensated Employees. All amendments shall be in writing.

(b) Legal Requirements. Notwithstanding anything herein to the contrary, however, the Plan and Trust Agreement may be amended at any time and from time to time, if necessary, to conform to the provisions and requirements of the federal Internal Revenue Code or any amendments thereto, or regulations or rulings issued pursuant thereto, and no such amendment shall be considered prejudicial to the interest of any Participant or Beneficiary hereunder.

(c) Vesting Schedule. No amendment shall decrease the percentage of the interest of any Participant which shall theretofore have become vested.

ARTICLE IX.  
MISCELLANEOUS

Section 9.1 Direct Rollovers of Eligible Rollover Distributions.

(a) In General. The Retirement Board is authorized to receive and add to the interest of any Participant, the Participant's vested interest in the assets held under any Eligible Retirement Plan if such transfer satisfies the requirements under law for transfers between retirement plans. In such event the assets so received shall be fully vested and shall be held in a separate account and shall be administered and distributed pursuant to the provisions of this Plan and Trust concerning Employer contributions. The Retirement Board is also authorized at the request of the Participant to transfer such Participant's vested interest which has become

distributable under Article VII hereof, directly to an Eligible Retirement Plan for the benefit of such Participant, provided such transfer satisfies the requirements under law for such transfers.

(b) Rules For Distributions From the Plan. Notwithstanding any provision of the plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Retirement Board, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the distributee in a direct rollover.

(c) Definitions.

(i) Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance of a qualified trust to the credit of the distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal period payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any hardship distribution ~~described in Code Section 401(k)(2)(B)(i)(IV).~~

For purposes of the direct rollover provisions in this Section 9.1, a portion of a distribution shall not fail to be an Eligible Rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Code Section 408(a) or (b), or to a qualified defined contribution plan described in Code Section 401(a) or 403(a) that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(ii) Eligible Retirement Plan. An Eligible Retirement Plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), a "Roth" individual retirement annuity described in Code Section 408A (subject to certain additional Code requirements), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a), that accepts the distributee's Eligible Rollover Distribution.

For purposes of the direct rollover provisions in this Section 9.1, an Eligible Retirement Plan shall also mean an annuity contract described in Code Section 403(b) and an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.

The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is the alternate payee under a domestic relation order, as provided in Section 7.9(b). In the case of a distribution to a non-spouse Beneficiary, an Eligible Retirement Plan means an “inherited individual retirement account or annuity” described in Code Sections 408(a) or (b), or a Roth IRA described in Code Section 408A.

(iii) Distributee. A distributee includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving spouse and the Employee’s or former Employee’s spouse or former spouse who is the alternate payee under a domestic relations order, as provided in Section 7.9(b), are distributees with regard to the interest of the spouse or former spouse. Distributee also includes a non-spouse beneficiary.

(iv) Direct Rollover. A direct rollover is a payment by the plan to the Eligible Retirement Plan specified by the distributee.

Section 9.2 Benefits to be Provided Solely from the Trust Fund. All benefits payable under this Plan shall be paid or provided for solely from the Trust Fund, and the Employer assumes no liability or responsibility therefor.

Section 9.3 Notices from Participants to be Filed with Retirement Board. Whenever provision is made herein that a Participant may exercise any option or election or designate any Beneficiary, the action of each Participant shall be evidenced by a written notice thereof signed by the Participant on a form, if any, furnished by the Retirement Board for such purpose and filed with the Retirement Board, which shall not be effective until received by the Retirement Board.

Section 9.4 Agent for Service of Process. The agent for service of process for the Plan shall be the Retirement Board unless a different agent shall be designated by the Employer. The agent and the agent’s address shall be set forth in the Summary Plan Description distributed to the Participants.

Section 9.5 Text to Control. The headings of Articles and Sections are included solely for convenience of reference. If there shall be any conflict between such headings and the text of this Plan, the text shall control.

Section 9.6 Law Governing and Severability. This Plan shall be construed, regulated and administered under the laws of the State of Colorado. All contributions received by the Trustee hereunder shall be deemed to have been received in that state. In the event any provision of this Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof. On the contrary, such remaining provisions shall be fully severable and this Plan shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein.

Section 9.7 Employer’s Obligations. The adoption and continuance of the Plan shall not be deemed to constitute a contract between the Employer and any Employee or Participant, nor

to be a consideration for, or an inducement or condition of, the employment of any person. Nothing herein contained shall be deemed to give any Employee or Participant the right to be retained in the employ of the Employer or to interfere with the right of the Employer to discharge any Employee or Participant at any time, nor shall it be deemed to give the Employer the right to require the Employee or Participant to remain in its employ nor shall it interfere with the right of any Employee or Participant to terminate his or her employment at any time.

The Employer shall not incur any liability whatsoever to the Trust Fund, or any Participants or their Beneficiaries, or the Trustee, or any other person for anything done or omitted by the Trustee or for the loss or depreciation, in whole or in part, of the Trust Fund.

Section 9.8 Plan for Exclusive Benefit of Participants; Reversion Prohibited. This Plan has been entered into for the exclusive benefit of the Participants and their Beneficiaries. Under no circumstances shall any funds contributed to or held by the Trustee hereunder at any time revert to or be used by or enjoyed by the Employer nor shall any such funds or assets at any time be used other than for the exclusive benefit of the Participants or their Beneficiaries, subject to the provisions concerning the return of certain Employer contributions.

IN WITNESS WHEREOF, the Employer has caused this Amended and Restated Plan to be executed by its authorized representative this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**“EMPLOYER”**  
**Vail Park & Recreation District d/b/a Vail**  
**Recreation District**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Document comparison by Workshare Professional on Wednesday, April 12, 2017 2:33:18 PM

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Document 2 ID	interwovenSite://DMS.SHERMANHOWARD.COM/Active/42741533/3
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Total changes	29
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**VAIL RECREATION DISTRICT  
COMBINED BALANCE SHEET  
December 31, 2016 and April 30, 2017**

	12/31/16					04/30/17				
	General Fund	Enter-prise Fund	General Fixed Assets & LTD	Ent. Fund Fixed Assets & LTD	Total	General Fund	Enter-prise Fund	General Fixed Assets & LTD	Ent. Fund Fixed Assets & LTD	Total
<b>ASSETS</b>										
CASH- UNRESTRICTED	3,398,381	9,965			3,408,346	3,303,567	9,965			3,313,532
INVESTMENTS- RESTRICTED		294,507			294,507		295,030			295,030
ACCOUNTS RECEIVABLE	84,970	11,087			96,057	66,387	(942)			65,444
PROPERTY TAXES RECEIVABLE	2,782,872	273,246			3,056,117	1,573,752	154,524			1,728,276
PREPAIDS, DEPOSITS & INVENTORY	348	36,490			36,838	105,916	66,372			172,288
DUE (TO) FROM OTHER FUND	(222,361)	222,361			0	436,250	(436,250)			0
LOAN DUE (TO) FROM OTHER FUND	1,974	(1,974)			0	1,974	(1,974)			0
BUILDINGS			559,718	11,390,689	11,950,407			559,718	11,390,689	11,950,407
EQUIPMENT			820,463	1,547,845	2,368,308			820,463	1,547,845	2,368,308
ACCUM DEPR			(823,553)	(7,378,168)	(8,201,721)			(823,553)	(7,378,168)	(8,201,721)
<b>TOTAL ASSETS</b>	<b>6,046,184</b>	<b>845,682</b>	<b>556,628</b>	<b>5,560,366</b>	<b>13,008,859</b>	<b>5,487,844</b>	<b>86,726</b>	<b>556,628</b>	<b>5,560,366</b>	<b>11,691,564</b>
<b>LIABILITIES AND FUND EQUITY</b>										
ACCOUNTS PAYABLE	76,940	230,753			307,693	63,012	55,409			118,421
DEFERRED PROPERTY TAXES	2,782,872	273,246			3,056,117	1,573,752	154,524			1,728,276
DEFERRED REVENUE	19,491	15,001			34,492	2,138	48,017			50,156
ACCRUED COMPENSATED ABSENCES			49,245	30,589	79,834			49,245	30,589	79,834
ACCRUED INTEREST PAYABLE				17,238	17,238				17,238	17,238
DOBSON BONDS PAYABLE				985,000	985,000				985,000	985,000
<b>TOTAL LIABILITIES</b>	<b>2,879,303</b>	<b>519,000</b>	<b>49,245</b>	<b>1,032,827</b>	<b>4,480,375</b>	<b>1,638,902</b>	<b>257,951</b>	<b>49,245</b>	<b>1,032,827</b>	<b>2,978,925</b>
<b>NET ASSETS</b>										
INV IN FIXED ASSETS, NET OF DEBT			507,383	4,527,539	5,034,922			507,383	4,527,539	5,034,922
RESTRICTED	122,140	278,913			401,053	122,449	278,913			401,362
COMMITTED & ASSIGNED FOR CAPITAL	2,000,000	-			2,000,000	1,550,000	-			1,550,000
UNASSIGNED	1,044,741	47,769			1,092,510	2,176,494	(450,138)			1,726,356
<b>TOTAL NET ASSETS</b>	<b>3,166,880</b>	<b>326,682</b>	<b>507,383</b>	<b>4,527,539</b>	<b>8,528,484</b>	<b>3,848,942</b>	<b>(171,225)</b>	<b>507,383</b>	<b>4,527,539</b>	<b>8,712,640</b>
<b>TOTAL LIAB &amp; NET ASSETS</b>	<b>6,046,184</b>	<b>845,682</b>	<b>556,628</b>	<b>5,560,366</b>	<b>13,008,859</b>	<b>5,487,844</b>	<b>86,726</b>	<b>556,628</b>	<b>5,560,366</b>	<b>11,691,564</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: 05/22/17

Modified Accrual Basis

	2016 Prelim Actual	2017 Forecast	2017 Adopted Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)	4 Months Ended 04/30/17 Actual	4 Months Ended 04/30/17 Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)
<b>COMBINED REVENUES</b>									
PROPERTY AND OTHER TAXES, NET OF FEES	3,126,207	3,117,545	3,116,518	1,027	0%	1,328,128	1,322,309	5,818	0%
OTHER NON-DEPARTMENTALIZED REVENUES	77,073	70,045	66,545	3,500	5%	12,052	14,135	(2,084)	-15%
SPORTS	379,490	399,766	398,336	1,430	0%	112,561	117,230	(4,669)	-4%
GYMNASTICS	204,670	216,320	216,320	-	0%	60,106	75,513	(15,408)	-20%
COMMUNITY PROGRAMMING	404,966	392,833	399,833	(7,000)	-2%	130,603	159,950	(29,347)	-18%
NATURE CENTER & NORDIC	113,797	109,350	109,350	-	0%	47,112	32,025	15,087	47%
GOLF COURSE	1,140,767	1,304,947	1,304,947	-	0%	160	35	125	351%
TENNIS	52,516	42,885	42,885	-	0%	6,145	-	6,145	100%
DOBSON	671,962	667,179	647,679	19,500	3%	296,682	274,677	22,005	8%
GOLF F&B / BANQUET ROOM, NET OF COGS	90,147	364,816	370,662	(5,847)	-2%	62,234	53,739	8,495	2%
<b>TOTAL REVENUES</b>	<b>6,261,594</b>	<b>6,685,686</b>	<b>6,673,076</b>	<b>12,610</b>	<b>0%</b>	<b>2,055,782</b>	<b>2,049,613</b>	<b>6,168</b>	<b>0%</b>
<b>OPERATING EXPENSES</b>									
ADMINISTRATION	(632,957)	(712,929)	(681,989)	(30,939)	-5%	(315,961)	(302,219)	(13,742)	-5%
PUBLIC RELATIONS/MARKETING	(244,157)	(271,110)	(271,038)	(72)	0%	(62,686)	(72,210)	9,524	13%
PARK MAINTENANCE	(198,735)	(218,456)	(217,163)	(1,293)	-1%	(41,786)	(42,092)	306	1%
FACILITIES MAINTENANCE	(131,413)	(138,221)	(136,700)	(1,521)	-1%	(44,467)	(43,753)	(715)	-2%
SPORTS	(507,169)	(541,623)	(544,567)	2,945	1%	(120,680)	(128,173)	7,493	6%
GYMNASTICS	(245,877)	(268,876)	(268,111)	(765)	0%	(69,623)	(78,496)	8,874	11%
COMMUNITY PROGRAMMING	(482,619)	(514,102)	(520,482)	6,380	1%	(101,666)	(115,371)	13,705	12%
NATURE CENTER & NORDIC	(79,551)	(131,804)	(75,470)	(56,334)	-75%	(72,421)	(18,707)	(53,714)	-287%
GOLF OPERATIONS	(647,331)	(743,652)	(694,872)	(48,780)	-7%	(101,774)	(83,047)	(18,727)	-23%
GOLF MAINTENANCE	(833,387)	(862,222)	(859,228)	(2,995)	0%	(152,328)	(175,124)	22,796	13%
TENNIS	(93,236)	(92,265)	(97,918)	5,653	6%	(11,675)	(4,157)	(7,518)	-181%
DOBSON	(700,430)	(802,474)	(789,486)	(12,988)	-2%	(264,749)	(252,152)	(12,597)	-5%
GOLF F&B / BANQUET ROOM	(150,971)	(513,219)	(483,923)	(29,296)	6%	(134,363)	(105,088)	(29,274)	-28%
<b>TOTAL EXPENSES</b>	<b>(4,947,833)</b>	<b>(5,810,950)</b>	<b>(5,640,946)</b>	<b>(170,004)</b>	<b>-3%</b>	<b>(1,494,181)</b>	<b>(1,420,591)</b>	<b>(73,589)</b>	<b>-5%</b>
<b>CHANGE IN FUND BAL BEFORE DS &amp; CAP</b>	<b>1,313,761</b>	<b>874,736</b>	<b>1,032,130</b>	<b>(157,394)</b>		<b>561,601</b>	<b>629,022</b>	<b>(67,421)</b>	
DEBT SERVICE	(277,988)	(276,176)	(276,176)	-	0%	(255,856)	(255,857)	1	0%
<b>CHANGE IN FUND BAL BEFORE CAP</b>	<b>1,035,773</b>	<b>598,560</b>	<b>755,954</b>	<b>(157,394)</b>		<b>305,745</b>	<b>373,165</b>	<b>(67,420)</b>	
DONATIONS, LOANS, & SALE OF ASSETS	-	-	-	-	0%	-	-	-	0%
CAPITAL EXPENDITURES	(831,202)	(936,885)	(884,717)	(52,168)	-6%	(121,589)	(90,824)	(30,766)	-34%
LESS UNFUNDED CAPITAL PROJECTS	-	-	-	-		-	-	-	
CONTINGENCY	-	(100,000)	(100,000)	-	0%	-	-	-	0%
<b>TOTAL NET CAPITAL EXPENSES</b>	<b>(831,202)</b>	<b>(1,036,885)</b>	<b>(984,717)</b>	<b>(52,168)</b>	<b>-5%</b>	<b>(121,589)</b>	<b>(90,824)</b>	<b>(30,766)</b>	<b>-34%</b>
<b>CHANGE IN FUND BALANCE</b>	<b>204,571</b>	<b>(438,326)</b>	<b>(228,763)</b>	<b>(209,562)</b>		<b>184,155</b>	<b>282,342</b>	<b>(98,186)</b>	
<b>BEGINNING FUND BALANCES</b>	<b>3,288,991</b>	<b>3,493,562</b>	<b>3,199,651</b>	<b>293,911</b>		<b>3,493,562</b>	<b>3,199,651</b>	<b>293,911</b>	
<b>ENDING FUND BALANCES</b>	<b>3,493,562</b>	<b>3,055,237</b>	<b>2,970,887</b>	<b>84,349</b>		<b>3,677,718</b>	<b>3,481,992</b>	<b>195,725</b>	

**SUMMARY OF SIGNIFICANT VARIANCES:**

GYMNASTICS REVENUES- Early 2017 numbers were a little low but summer registrations looking good  
 COMMUNITY PROGRAMMING REV- After school numbers down slightly, largely offset with savings in expenses.  
 OUTDOOR PROGRAM EXPENSES- Buyout of Nordic operations.  
 GOLF BANQUET/ F&B EXPENSES- Staffing and equipment rental overages,  
 FUND BALANCE- Savings at end of 2016 rolled forward to 2017.

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

## **VAIL RECREATION DISTRICT DIRECTOR REPORTS**

May 25, 2017

### **GOLF**

- We had a great opening weekend offering 18 holes, a new clubhouse and course conditions resembling mid-June. Through Wed, we had 336 golfers with 242 of those playing Fri-Sun. We have sold 236 season passes and punch cards since May 12. Our pass revenue through the week is \$92,650. We have already sold \$2,083 in pro shop merchandise.
- Our locals and guest alike were excited to see the new clubhouse. As a staff, we are learning the new flow and new operations. Our guests are also experiencing the new flow.
- Ben Krueger came out all three days of opening weekend. It was great to see him out on the course. Byron Brown was his guest on opening day.
- The golf shop is full of 2017 merchandise including new equipment from Cobra and Callaway. Our new golf shop presentation lends itself to easy shopping and a spacious look. We are carrying Foot Joy, Adidas, Sun Soleil, Travis Matthew, Oakley, JoFit and Puma.
- We had about 15 inches of snow measured at maintenance on May 18. We may not be open for a few days. Big May storm.

### **GOLF MAINTENANCE**

- We are fully staffed now, with around 20 seasonal members on board, roughly half of them full time, Mon through Fri, and the other half working in a part-time capacity that is a combination of weekdays and weekends. This is the second year of running the staff schedule in this format, and last year it was highly successful in keeping individual staff hours down, limiting overtime, and keeping staff from experiencing burn out as the season progresses and hours pile up.
- An RFP was submitted to the TOV Special Events Committee in March, seeking approval of funds, up to \$10,000, for the Affiliate Cup/RMGCSA event on August 25. Through collaboration with the CSE, the Vail Valley Partnership has awarded the VRD \$2,500 towards the event. This will help the revenue line for the event by ensuring our ability to put on a great tournament, and one that will produce additional business for local hotels, restaurants and shops from the 30-40 tournament participants that are likely stay in Vail for the weekend following the Fri tournament.
- Trap/bunker edging completed May 5. Contractor did all bunkers except on 18, which our staff did last week.
- Greens were Dryjected May 4 and are nearly healed up from that aeration procedure. We used a one-ton roller the following week to smooth the putting surfaces from the equipment tire-rutting produced by this procedure and last fall's aeration and sand topdressing.

- First spray application to greens with growth regulators completed Tue, May 16. The application is done to slow vertical growth, enhance new shoot production and overall density of the turf, and inhibit seed head formation of the *Poa annua* in our greens.
- Driving range tee was sodded the week of May 8, as well as a new target green on the range floor. The range tee opened along with the golf course on May 12, but the newly sodded areas will need another two to three weeks to root and mend-in to a usable state. In the meantime, we still have ample area for early season range stations.
- This past week, cart path paving was completed on holes 1, 5, 10, 12, 13, and 14. Snow has postponed the ability to complete any more work this week, but I still have budgeted money left to spend and am hopeful they can come in next week to do one or two more areas before their schedule has them moving on.
- May has alternated between warm and windy days and precipitation events of rain and/or snow, with a truly memorable snowstorm on May 18 that produced a foot of new snow at the golf course, with more to come on May 19-20.
- Gore Creek has been flowing above 300-350 cfs range prior to the snow of May 18.
- Snowpack and water equivalent numbers are receiving a boost this week with our late winter snowstorm. This is good for long term Gore Creek flows this summer, as long as we don't see any rapid and extended hot periods leading to accelerated melt-off and potential flooding.

## **SPORTS REPORT**

- We had a total of 263 short track racers over three events, making it the second largest short track series on record (only behind 2012 when we had four races and crazy stupid participation). 17% increase over last year.
- First La Sportiva Trail Running Series race was held Saturday. Despite the interesting weather leading up to the race, we had 158 finishers, down only five runners from 2016.
- Youth recreational soccer continues for a couple more weeks, last week's weather and end-of-school-year activities are wreaking havoc on the schedule
- Two whitewater races are in the books. The series continues with three more races on Tuesday nights in Vail Village. This is a great spectator event and spectators even get to partake in the after-parties with a complimentary beer.
- Adult leagues will start in the beginning of June with softball and coed soccer. Cornhole and sand volleyball leagues will start right after Father's Day weekend.
- The first East West Destination Hospitality Mountain Bike Town Series event will occur on May 31 with the Eagle Classic. It has always been the biggest race in the series and we are currently looking for volunteer help.
- Met with Kids Adventure Games and finalized a production agreement for 2017's sold out event.
- Sports will be busy helping produce and time events the next three weekends, including Vail Valor, Eagle Outside Festival and GoPro Mountain Games.

## **MARKETING**

- The marketing team has been hard at work creating collateral and press releases for all the events going on and the summer facilities opening. We have created new golf and tennis rack cards, and many flyers and posters for many of the different events and camps.
- Vail Daily advertising is continuing for the summer, with ads running multiple times per week. We also are running our radio advertising and continue to do weekly interviews live on KZYR. Jessie was also on TV8 twice in the past week to talk about summer camps and the trail running series.
- The Businesses, Bogeys and Bragging Rights tournament has been scheduled for Sept. 14 this year, and sponsorship packets and registration forms are available.
- Jessie is continuing to work with advertisers to renegotiate rates and mine insights into the effectiveness of past programs. She has cut out some programs that were not performing in favor of allocating more money to local advertising and digital.
- Jessie and Nell have been out and about capturing photos of all of our events and programs. Look for some new gymnastics center facility photos to be uploaded to the website shortly.
- Jessie has been doing several updates around the VRD website including adding large slideshows to facility pages and updating summer content and website flow.
- Jessie recently partnered with the VMLDAC and the Vail Resorts international sales team to send our summer camp brochures to Mexico and Panama on recent sales missions. These were distributed to very HNW travelers who have shown interest in traveling to Vail in the summer.

## **COMMUNITY PROGRAMMING**

### Community Programming

- Imagination Station has slowed down considerably in late April and into May. We were busy through March, but are down to three to five families per day now. Still, we are doing a fair amount of pottery.
- We continue Gentle Yoga, TRX and Aikido.

### KidZone

- Attendance is relatively light due to many parents working less than during the ski season.

### Other

- We are hired for all camps.
- Fortunately, there will not be any construction at Red Sandstone Elementary this summer. We are expecting to be completely displaced in 2018. We have started

discussions regarding solutions to this issue; we will begin work in earnest come September.

- The skatepark is clear, people are skating, but the Town is still considering the park closed. They will clean and open the park in the beginning of May as they clean the parking structures. They start with the Village structure, move to the Lionshead structure and will clean the skatepark last.
- Jerrica and Chad attended a School Age Childcare Licensing Class. We learned how to institute many of the changes that have been mandated in the past year.
- The Colo. State Licensing inspector inspected our program, our files and our safety procedures. We have a minimal amount of follow-up required; this went amazingly smoothly.
- We will provide a bounce house for the RSES Steeplechase on Tue, May 23. This is a significant fundraiser for the school.

### **PARK MAINTENANCE**

- We are in the middle of the spring leagues and overall are looking good. Most facilities have the irrigation up and running. There will be new sand added to the volleyball courts soon, to supplement the existing sand. Softball starts the end of the month and other leagues will be ending the first part of June. Bring on summer.

### **GYMNASTICS**

- The competitive program sent its first ever level 9 gymnast to the regional championships in April. Samantha Nothnagel placed in the top 10 at the Colorado State Championship, advancing her to the regional championships where she competed against top gymnasts from Colorado, Texas, New Mexico, Wyoming, Kansas, Oklahoma and Arkansas. In addition to our level 9, we had two level 8 gymnasts qualify to the regional championships.
- The Wizard of Oz Spring Show on April 29 saw successful numbers. Our recreational gymnasts showed off their gymnastics routines followed by a competitive team showcase. Skipper & Scout, Gallegos and the Vail Ale House were all sponsors of the event.
- Summer programs begin on Mon, June 5. As of May 18, our summer camp numbers are filling with only a handful of spaces left in the last two week-long recreational camps. This season our maximum amount of students per camp is 50 compared to 30 in years past.
- Tani Blount will return to Vail Gymnastics in July as a special guest for one of our competitive team camps. Tani coached Olympian Carly Patterson along with many other nationally ranked elite and level 10 gymnasts. This will be Tani's third summer returning to Vail Gymnastics.