



TO: Vail Town Council  
FROM: Finance Department  
DATE: March 31, 2015  
SUBJECT: 2014 Results and 2015 Supplemental Appropriation

## I. SUMMARY

The completion of the 2014 financials sets the stage for this supplemental appropriation of 2015 with the identification of capital projects that span more than one year and need to have funding re-appropriated to the current year. In Tuesday evening's session, you will be asked to approve the first reading of Ordinance No. 5 making supplemental appropriations and adjustments to the 2015 budget. The following information is provided for your review:

- Summary of Revenue, Expenditures, and Changes in Fund Balances – 2014 Actual Compared with Amended Budget and 2015 including the proposed supplemental appropriation
- Ordinance No. 5, Series 2015

## II. DISCUSSION

### **2014 RESULTS**

Across all funds and revenue accounts for 2014, total revenue of \$64.8 million is up 20.8% from 2013 mainly due to increases in sales tax collections, Real Estate Transfer Tax collections, construction activity and reimbursements from the Vail Reinvestment Authority during the year.

Sales tax collections reached \$23.9 million for the first time, a 8.6% increase over 2013 and a 21.6% increase over the pre-recession high reached in 2008. Throughout the year sales tax collections showed solid increases, with only April (impacted by the timing of Easter), May (only 2.5% of annual collections) and October failing to reach monthly records. Summer activity was strong with sales tax collections up 8.8% from the prior summer. Winter of 2014-15 is continuing the trend, with November through February collections all at record highs and an overall increase of 5.9% over those same months last winter.

Real estate transfer tax collections in 2014 of \$6.9 million increased 31% from prior year due to significant activity in both higher-priced residential and several large commercial projects.

Construction activity improved, with Construction Use Tax of \$1.8 million exceeding prior year by 25% and permit fee revenue of \$2.6 million up 86%.

Ski Lift tax collections of \$4.4 million were up 8.6% from prior year due to a strong start of the winter season and snowfall.

Parking revenue of \$4.5 million has increased by 9% compared to 2013, although has not reached the \$5.0 million high in both 2009 and 2010 when parking demand from guests and construction activity outweighed parking supply (now increased though both public and private efforts) and free parking was extended to two hours.

**2014 net expenditures totaled \$55.7 million** compared to \$79.5 million budgeted. Of the \$23.9 million variance, \$17.5 million is requested for re-appropriation for capital projects currently underway and approximately \$4.7 million of new project funding requested (\$3.9 million of which is related to the Vail Golf & Nordic Center) are offset by \$1.7 million in savings from projects completed during the year. The new funding requests are outlined in the next section “2015 Supplemental” below.

General Fund operating expenditures of \$32.7 million came in below budget by \$1.1 million, or 3.4%. The savings came from general operating savings of \$600,109, salary and benefit savings of \$456,724. Operational savings included professional fees of \$166K, utilities of \$36K, professional development of \$50K, planning projects of \$31K and various other items.

As a result, the General Fund fund balance ending December 2014 totals \$19.7 million, or 55% of annual revenues.

## **2015 SUPPLEMENTAL APPROPRIATION**

The main purpose of this supplemental is to re-appropriate funds for 2015 capital projects that were started in 2014 and are continuing into this year, or projects that did not begin as planned in 2014. There are also adjustments needed to reflect events or decisions that occurred after the 2015 budget was finalized.

### **General Fund**

Revenue will be increased by \$10,000 to offset corresponding expenditures for legal expenses surrounding the redevelopment of the Vail Valley Medical Center (VVMC).

General Fund expenditures are proposed to decrease by \$48,000:

- Cancellation of the U.S. Pro-Cycling Challenge will reduce expenditures by \$75,000
- \$8,000 increased costs for the 811 “line locate” service to notify the town staff of a requested “locate” of electrical or irrigation lines. Currently the 811 center instructs customers to contact the town directly. By purchasing this service, the town is guaranteed notification of line locate requests.
- \$9,000 re-appropriation of uniform expenditure from the 2014 budget due to late arrival of uniforms in 2015 and for Fire department coats not ordered in 2014.

The above adjustments to the General Fund 2015 budget result in an estimated fund balance of \$19.1 million by the end of 2015, or 55% of annual revenues.

### **Capital Projects Fund**

Revenue will be adjusted by a total increase of \$341,582. A majority of these funds (\$176.7K) will be reimbursement from CDOT for continuation of the I-70 Underpass project and \$118.8K from the continuation of federal grant funding for the bridge at Nugget Lane and Bridge Road. An estimated \$40,000 of reimbursement from the Eagle River Water and Sanitation District (ERWSD) will offset expenditures for a portion of the Covered Bridge project and \$6,091 of grant dollars from the Fireman's Fund Insurance Co. will offset expenditures in 2015 for some of the breathing apparatus equipment that has been requested. The remaining fire equipment requested is funded from proceeds received in 2014 from the sale of a replaced fire truck.

Staff is requesting to supplement 2015 expenditures by a total of \$6.2 million, \$5.7 million of which represents projects budgeted in 2014 but not yet completed such as the Guest Service Enhancements / Wayfinding project, I-70 Underpass, hybrid bus battery replacement, a transit center generator, Neighborhood Road and Bridge reconstruction, continued implementation of a new permitting system for Community Development and energy enhancement programs.

Additional funding requests include the following:

- \$417K of funding for the Buy-Down Program in recognition of revenue received during 2014 from Fee-in Lieu collections.
- \$109K is requested for an expansion of wireless equipment and service into both East and West Vail
- \$40K of fire equipment (\$17.9K for breathing apparatus and \$22.1K of radio and communications equipment) which is paid for by the \$6K grant listed above and the \$35K sale of a fire truck.

Transfer of funds from the Vail Reinvestment Authority shows an increase of \$1,299,470 to reflect projects carried over from the prior year such as the I-70 Underpass and the Lionshead parking structure entry projects.

All of the above adjustments will result in an estimated fund balance of \$21.9 million by the end of 2015.

### **Real Estate Transfer Tax (RETT) Fund**

Budgeted revenues will increase by \$938,133 for the remainder of the \$1.165 million reimbursement from the VRD relating to redevelopment of the Vail Golf and Nordic Center.

Staff is requesting to supplement 2015 expenditures by a total of \$16.0 million, \$11.8 million of which relates to projects budgeted in 2014 but not yet completed such as the Ford Park Fields, Ford Park playground and lower bench improvements, the Vail Golf and Nordic Center, Library Recreation Path, replacement and addition of trash receptacles to meet the recycling ordinance, Booth Creek Park redevelopment, a permanent skate park and continued streambank and water quality improvements.

New funding requests include the following:

- \$3.9 million additional project funding of the Vail Golf and Nordic Center as approved by Council on October 7, 2014. This \$3.9 million was originally budgeted in 2016, but is being moved forward into 2015 should Council approve the selection of a contractor.
- \$250K estimated cost for the new "Vail Trail" (please see attached memo for more details and cost breakout).

The proposed budget adjustments will result in an estimated fund balance of \$1.3 million by the end of 2015.

### **Heavy Equipment Fund**

Several replacement vehicles were ordered (and budgeted for) in 2014, but delivery will take place in 2015. A re-appropriation of \$415,954 is requested to cover payment for a Ford Explorer for the detective staff, a Polaris ranger for the landscape and streets crews, a street sweeper, a sewer jetter, emergency lights and equipment for a fire department vehicle, and a dump bed for a streets crew vehicle.

### **Timber Ridge (Enterprise) Fund**

A re-appropriation of capital outlay (\$572,000) is requested to continue the exterior renovations such as windows and exterior paint that were approved in the 2014 budget. These repairs have been bid out to various contractors and work is expected to be completed this summer.

Sufficient fund balance is available in the Timber Ridge Enterprise Fund to cover the proposed capital outlay leaving an estimated \$686K, or 57% of revenue, in fund balance at the end of 2015.

Vail Trail  
Supplemental Budget Request  
April 7, 2015

The concept for improving and extending the Vail Trail has been presented to the Town Council at several Work Session meeting over the past year. The idea is to renovate the existing section of trail between Golden Peak and the Golf Course Clubhouse, and to extend the trail eastward to the Vail Memorial Park. When completed, the six-mile trail would provide a beginner level, multi-use, soft surface trail for residents and guests. The proposed alignment would cross through multiple parcels including town-owned, private and U.S. Forest Service (USFS) property.

Because of its location, the approval process for the trail includes a Conditional Use Permit from the town's Planning and Environmental Commission (PEC) as well as clearance and a permit from the USFS. Both approvals require environmental evaluations for wetlands, wildlife and cultural concerns. The town's version of the study is termed an Environmental Impact Report (EIR) and the USFS version is the National Environmental Policy Act (NEPA) process and are similar in terms of the information they require.

- The Vail Trail proposal has been officially accepted by the USFS as a project and has been given elevated status for completion of the approval process with TOV participation. It is very important for the town to take advantage of the review process at this time.
- The USFS will evaluate the trail in its entirety as a "connected action" which means they will consider impacts of the proposal for areas that may not directly impacts USFS property. This is a standard action with the USFS approval process
- The town has received two proposals for completion of the EIR and the NEPA reports.
- In addition, the town has received two preliminary proposals from professional trail building companies for portions of the trail. Preliminary because the final alignments for the trail could be altered based on the findings of the reports and the potential need for bridges or elevated decks through wet areas.
- It is feasible that the eastern 1-1/2 miles of this project could be constructed in the fall of 2015 pending approval from the PEC since it is entirely located on town-owned land.

The Supplemental request includes the following:

Environmental Analysis	\$ 75,000
Design/Public Outreach	\$ 25,000
<u>2015 Construction Budget</u>	<u>\$ 150,000</u>
Supplemental Budget Request	\$ 250,000

Pending approvals from the town's PEC and the USFS, additional trail could be constructed in either 2015 or 2016. Additional funds would be required once the scope of that work is determined.

TOWN OF VAIL 2015 BUDGET						
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE						
GENERAL FUND						
	2014	2014	Variance	2015	1st	2015
	Amended	Actuals	Fav / (Unfav)	Original	Supplemental	Proposed
				Budget		Amended
						Comments
<b>Revenue</b>						
Local Taxes:	\$ 23,100,000	\$ 23,881,131	\$ 781,131	\$ 24,486,000		\$ 24,486,000
Sales Tax Split b/t Gen'l Fund & Capital Fund	<b>62/38</b>	<b>62/38</b>		<b>62/38</b>		<b>62/38</b>
Sales Tax	\$ 14,322,000	\$ 14,322,000	\$ -	15,181,000		\$ 15,181,000
Property and Ownership	4,353,500	4,358,411	4,911	4,301,000		4,301,000
Ski Lift Tax	3,782,000	4,351,624	569,624	4,418,700		4,418,700
Franchise Fees, Penalties, and Other Taxes	1,116,550	1,121,455	4,905	1,158,779		1,158,779
Licenses & Permits	2,632,801	2,747,488	114,687	1,538,267		1,538,267
Intergovernmental Revenue	1,869,678	2,010,236	140,558	1,835,192		1,835,192
Transportation Centers	3,839,680	4,543,399	703,719	4,023,264		4,023,264
Charges for Services	870,397	947,267	76,870	907,812		907,812
Fines & Forfeitures	276,274	207,723	(68,551)	263,404		263,404
Earnings on Investments	110,000	157,713	47,713	108,236		108,236
Rental Revenue	840,896	1,044,463	203,567	903,087		903,087
Miscellaneous and Project Reimbursements	136,000	215,122	79,122	283,000	10,000	293,000
<b>Total Revenue</b>	<b>34,149,776</b>	<b>36,026,901</b>	<b>1,877,125</b>	<b>34,921,741</b>	<b>10,000</b>	<b>34,931,741</b>
			5.5%			
<b>Expenditures</b>						
Salaries	14,938,480	14,630,258	308,222	16,013,936		16,013,936
Benefits	5,189,962	5,041,460	148,502	5,774,964		5,774,964
Subtotal Compensation and Benefits	20,128,442	19,671,718	456,724	21,788,900	-	21,788,900
Contributions and Special Events	2,126,198	2,068,595	57,603	2,044,028		2,044,028
All Other Operating Expenses	7,197,735	6,597,626	600,109	7,395,314	27,000	7,422,314
Heavy Equipment Operating Charges	2,365,254	2,332,918	32,336	2,365,917		2,365,917
Heavy Equipment Replacement Charges	553,826	580,890	(27,064)	592,884		592,884
Dispatch Services	590,961	590,961	-	630,588		630,588
<b>Total Expenditures</b>	<b>32,962,416</b>	<b>31,842,708</b>	<b>1,119,708</b>	<b>34,817,631</b>	<b>27,000</b>	<b>34,844,631</b>
<b>Revenue Over (Under) Expenditures</b>	<b>1,187,360</b>	<b>4,184,193</b>	<b>2,996,833</b>	<b>104,110</b>	<b>(17,000)</b>	<b>87,110</b>
<b>Castle Peak Senior Care Facility</b>	(200,000)	(200,000)	-	-	-	-
<b>2015 World Alpine Ski Championships</b>	(250,000)	(250,000)	-	(250,000)	-	(250,000)
<b>Pro-cycling event</b>	(75,000)	(75,000)	-	(75,000)	75,000	-
<b>2015 Nation's Event</b>	(375,000)	(375,000)	-	(375,000)	-	(375,000)
<b>Transfer to Dipatch Services Fund</b>	-	-	-	(22,338)	-	(22,338)
<b>Surplus Net of Transfers &amp; New Programs</b>	<b>287,360</b>	<b>3,284,193</b>	<b>2,996,833</b>	<b>(618,228)</b>	<b>58,000</b>	<b>(560,228)</b>
Beginning Fund Balance	16,401,973	16,401,973		16,689,333	2,996,833	19,686,166
<b>Ending Fund Balance</b>	<b>\$ 16,689,333</b>	<b>\$ 19,686,166</b>		<b>\$ 16,071,105</b>		<b>\$ 19,125,938</b>
EHOP balance included in ending fund balance - not spendable	\$ 690,000			\$ 690,000		\$ 690,000

TOWN OF VAIL 2015 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
CAPITAL PROJECTS FUND							
				2015		Proposed	
	2014	2014	Variance	Original	1st	2015	
	Amended	Actual	Fav / (Unfav)	Budget	Supplemental	Amended	Comments
Revenue							
Total Sales Tax Revenue:	\$ 23,100,000	\$ 23,881,130	\$ 781,130	\$ 24,486,000		\$ 24,486,000	2015 6% incr from 2014 amended; then 5% per year
Sales Tax Split between General Fund & Capital Fund	62/38	62/38		62/38		62/38	
Sales Tax - Capital Projects Fund	\$ 8,778,000	\$ 9,799,940	\$ 1,021,940	\$ 9,305,000		\$ 9,305,000	
Use Tax	1,800,000	1,803,853	3,853	1,800,000		1,800,000	2015 flat with 2014 forecast; 2014 YTD pacing 26% up from 2013
Federal Grant Revenue	240,000	121,248	(118,752)	240,000	118,752	358,752	2014-2016: Bridges at Nugget Lane and Bridge Rd
Other State Revenue	504,000	327,261	(176,739)	356,000	182,830	538,830	CDOT share of funding for I-70 Underpass study; re-appropriate \$176K from prior year; \$6K grant for fire equipment
Lease Revenue	197,295	197,295	-	197,295		197,295	Per Vail Commons commercial (incr. every 5 years) and residential leases
Employee Housing Fee-In-Lieu	361,805	417,665	55,860			-	
Project Reimbursement	251,200	290,671	39,471	-	40,000	40,000	2015 \$40K reimbursement from ERWSD for waterline work on the Covered Bridge. 2014:\$90K contribution to Mobile Comm Van from external agencies (\$27.5K received in 2013); Reduce budget by \$16.8K of Mobile Comm Van funding that will come from Transfer as show below from prior year's capital contributions from the E911 Board; \$170K Holy Cross grant for lighting replacment (LEDs)
TRAHC	494,466	491,871	(2,595)	494,466		494,466	Principal and interest on loans to TRAHC
Earnings on Investments and Other	36,229	205,795	169,566	103,654		103,654	0.7% rate assumed
<b>Total Revenue</b>	<b>12,662,995</b>	<b>13,655,599</b>	<b>992,604</b>	<b>12,496,415</b>	<b>341,582</b>	<b>12,837,997</b>	
Bus Shelters	30,000	273	29,727	30,000	-	30,000	Annual maintenance.
Parking Structures	620,000	610,682	9,318	680,000	-	680,000	Various repairs including deck topping replacement, expansion joint repairs, ventilation, HVAC, plumbing and other structural repairs.
Facilities Capital Maintenance	603,563	416,284	187,279	541,760	165,000	706,760	<b>\$165K for Pitkin Creek bus stop and municipal carpet (partial replacement);</b> General project covers repairs to town buildings including the upkeep of exterior (roofing, siding surfaces, windows, doors), interior finishes (paint, carpet, etc), and mechanical equipment (boilers, air handlers, etc.).
Donovan Park Pavilion	58,670	38,830	19,840	500,000	19,840	519,840	2015: to change ventilation & improve noise, which includes a protective structure on the outside of the building; replace heating/air system and \$50K furniture replacement.
Street Light Improvements	296,000	151,047	144,953	25,000	144,953	169,953	Re-appropriate to continue new street lights and to refurbish residential lighting; Accelerated replacement approved by Council April 1st.
Capital Street Maintenance	981,200	764,977	216,223	1,116,500	216,223	1,332,723	<b>Ongoing bridge rail project; delay in materials shipment.</b> On-going maintenance to roads and bridges including asphalt overlays, patching and repairs.
Covered Bridge Structural Repairs	-	-	-	50,000	40,000	90,000	Includes structural maintenance of bridge beams and painting in conjunction with ERWSD waterline maintenance (hangs underneath the bridge) \$40K for work done on behalf of ERWSD - see revenue reimbursement above
Flood incident repairs	105,436	-	105,436	-	105,436	105,436	Upper Columbine / Bighorn stream crossing reconstruction
Fire Truck Replacement	620,900	618,017	2,883	-	2,883	2,883	2014 replace pumper truck from 1999; Re-appropriate for purchase of truck equipment
Audio Visual Capital Maintenance	4,599	4,500	99	18,000		18,000	\$18K annual maintenance / replacement of audio-visual equipment in town buildings such as Donovan, Municipal building, Grand View, LH Welcome Center, etc.
Town-wide camera system	130,000	129,615	385	22,000		22,000	includes \$22K per year for replacement of cameras and equipment;
Document Imaging	47,664	47,664	-	68,000		68,000	Annual maintenance, software licensing, and replacement schedule for scanners and servers. Includes 38K for software platform upgrade in 2015.
Software Licensing	48,000	46,195	1,805	60,000		60,000	Annual renewal of software licenses
Hardware Purchases	222,740	222,884	(144)	168,000		168,000	2015 replacement of three GIS printers/scanners; Two additional Simplivity Omnicube nodes in 2015 at a cost of \$45K each
Copier replacement	10,000	9,883	117	-		-	Replace 8-yr old equipment with copier/printer/fax/scanner

TOWN OF VAIL 2015 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
CAPITAL PROJECTS FUND							
	2014	2014	Variance	2015	1st	Proposed	
	Amended	Actual	Fav / (Unfav)	Original	Supplemental	2015	Comments
				Budget		Amended	
Postage machine replacement	6,100	6,073	27	-	-	-	Outdated software cannot comply with recent USPS postage meter changes; Current equipment 7 years old
Data Center (Computer Rooms)	15,000	14,926	74	-	-	-	Based on annual replacement schedule of security and power systems for 3 computer rooms
Website and e-commerce	13,829	13,829	-	12,000	-	12,000	Internet security & application interfaces; website redevelopment; includes \$550/month for web hosting svcs
ArcGIS Systems	14,000	-	14,000	-	14,000	14,000	Replacement of plotter/scanner/copier for GIS
Fiber Optics in Buildings	173,726	95,691	78,035	15,000	109,000	124,000	Requesting \$109K for an expansion of wireless service to West and East Vail (TOV equipment, not Crown Castle)
Network upgrades	40,000	40,045	(45)	72,000	-	72,000	Replacement of switches and routers
Phone System Infrastructure	142,919	142,919	-	-	-	-	Replace infrastructure for 15-year old phone system; Work started in 2013
Public Safety System	61,767	61,767	-	50,000	-	50,000	Annual capital maintenance of "County-wide "Computer Aided Dispatch/Records Mgmt System"; includes patrol car and fire truck laptops and software used to push information to TOV and other agencies; TOV portion of annual Intergraph software maintenance
Public AM Radio	5,900	5,900	-	-	-	-	Upgrade AM1610 equipment to make operational (the station has been down for approx. 1 year); This channel provides road and parking conditions, etc. to the public
Business Systems Replacement	190,218	72,175	118,043	-	118,043	118,043	\$58K to continue Community Development permitting software project ; anticipate project completion this summer
Transit Center Generator	200,000	-	200,000	-	200,000	200,000	Replacement of generator at the Vail Village transit center; includes re-landscaping and re-wiring; originally planned for 2014.
Police E-Ticketing system	35,000	34,972	28	-	-	-	Electronic ticketing system; reduces data entry done by officers to record physical tickets; will interface with Full Court system
<b>Total Maintenance</b>	<b>4,677,231</b>	<b>3,549,148</b>	<b>1,128,083</b>	<b>3,428,260</b>	<b>1,135,378</b>	<b>4,563,638</b>	
<b>Enhancement of Town Assets</b>							
CDOT Required Parking	218,000	140,859	77,142	-	-	-	2014: Vail Village parking improvements per CDOT requirements
Vail Village Info Booth	1,536,383	1,323,165	213,218	-	100,000	100,000	For final bills and work completed prior to the 2015 WASC; includes new exterior and interior cameras
Guest Services Enhancements/Wayfinding	3,161,947	1,785,032	1,376,914	-	1,376,914	1,376,914	Continuation of signage project Guest Service / Wayfinding enhancements outside of VRA district
Energy Enhancements	566,124	218,180	347,944	-	347,944	347,944	Implementation of energy audit enhancements; includes continuation of LED lighting project with shared cost of \$170K from Holy Cross.
Fire Equipment	-	-	-	-	22,153	22,153	2015: equipment purchased with proceeds from sale of fire truck (\$30K revenue received in 2014)
Neighborhood Road Reconstruction	25,000	-	25,000	450,000	25,000	475,000	\$25K for design and \$450K in 2015 for shared project with ERWSD on Rockledge Rd.
Neighborhood Bridge Reconstruction	300,000	-	300,000	300,000	300,000	600,000	Reconstruction and design of bridges at Nugget Lane and Bridge Rd.
Fire Breathing Apparatus	-	-	-	-	17,862	17,862	Partial replacement of breathing apparatus equipment, funded by \$6K grant listed above and sale of fire truck in 2014
Parking Entry System / Equipment	733,000	628,398	104,603	-	104,603	104,603	Replace parking system in both structures (LH parking structure system had been scheduled for replacement in 2006); Better financial reporting and potential to interface with variable message signs and other parking systems across town; Partially reimbursed by VRA (\$300K).
Radio Equipment replacement	176,000	173,808	2,192	-	-	-	Previously \$693K budgeted in 2014 for replacement of approximately 59 radios for PW, PD and Fire. Adjusted to only include radios purchased over 12 years ago (in 2008 the town replaced a number of radios; these will not be replaced until 2018)
Hybrid Bus Battery Replacement	440,000	-	440,000	-	440,000	440,000	Replace 7 batteries in 2015; Estimated life of 6 years
Replace Buses	60,002	9,520	50,482	-	50,480	50,480	ADA van for on-call pickups and continuation of bike rack replacements
Bus Camera System	-	-	-	350,000	-	350,000	Installation of software and cameras in buses
Timber Ridge Legal/Zoning	15,604	14,470	1,134	-	-	-	Consultant and legal expenses for the continuation of redevelopment of Timber Ridge
Timber Ridge Redevelopment	225,000	159,938	65,062	-	-	-	Rockfall mitigation



TOWN OF VAIL 2015 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
CAPITAL PROJECTS FUND							
	2014	2014	Variance	2015	1st	Proposed	
	Amended	Actual	Fav / (Unfav)	Original	Supplemental	2015	Comments
				Budget		Amended	
<b>Total Enhancements</b>	<b>7,457,059</b>	<b>4,453,368</b>	<b>3,003,691</b>	<b>1,100,000</b>	<b>2,784,956</b>	<b>3,884,956</b>	
<b>New Assets</b>	-						
Municipal Redevelopment	43,343	45,419	(2,076)	1,500,000	-	1,500,000	Planning for redevelopment of the municipal building; construction current listed on unfunded sheet
Frontage Road Developments (VRA)	-	-	-	3,000,000	-	3,000,000	<b>Previously in 2014; pushed to 2015;</b> From LH Parking structure to Municipal building to complement the new LH parking structure entry; funded by VRA (see transfers below)
Chamonix Housing Development	-	5,176	(5,176)	1,250,000	-	1,250,000	Infrastructure, planning and design for future housing development
Welcome Center (VRA)	68,887	31,848	37,039	-	-	-	Desk and signage improvements
East LionsHead Portal (VRA)	25,000	9,339	15,661	-	-	-	Completed with savings
I-70 Underpass (VRA)	1,631,586	970,994	660,591	1,000,000	660,591	1,660,591	\$1.6M to cover total amount of contract 2014 - 2016; CDOT reimbursements will span several years, with 2015 amount showed above
Lionshead Parking Structure Entry (VRA)	2,164,962	1,891,915	273,047	-	273,047	273,047	Final construction bills, and to complete landscaping, lighting and artwork installation
Lionshead Medans (VRA)	50,000	7,004	42,996	-	-	-	Median construction from LH parking structure to Vail Spa; Council cancelled the project; need some funds for bills already incurred; will reduce further when all bills paid
Mobile Communications vehicle	321,000	321,270	(270)	-	-	-	Budgeted during 2013 to allow for contract to be signed; will pay out funds in 2014 when van is delivered sometime in the fall
Chamonix Housing Marketing Study	12,550	11,300	1,250	-	-	-	Update Housing Market Study
Buy-down Program	402,118	-	402,118	-	402,118	402,118	Carry forward program funding
Buy-down Program Funded by Pay -in-Lieu	684,814	202,336	482,478	-	900,143	900,143	Carry forward current balance of program funding; Housing funded directly by Pay-in-Lieu fees collected from developers; Includes revenue collected in 2014 (\$417,665)
<b>Total New Assets:</b>	<b>5,404,259</b>	<b>3,496,602</b>	<b>1,907,658</b>	<b>6,750,000</b>	<b>2,235,900</b>	<b>8,985,900</b>	
<b>Total Expenditures</b>	<b>17,538,549</b>	<b>11,499,118</b>	<b>6,039,431</b>	<b>11,278,260</b>	<b>6,156,234</b>	<b>17,434,494</b>	
<b>Other Financing Sources (Uses)</b>	-						
Transfer from Vail Reinvestment Authority	4,290,435	3,049,280	1,241,155	4,050,000	1,299,470	5,349,470	I-70 underpass \$1M, Frontage Rd improvements \$3M; annual LH parking structure maintenance \$50K
Transfer from Debt Service Fund	21,311	21,311	-	-	-	-	To close out remaining balance in Debt Service Fund
Transfer from Dispatch Fund	16,800	16,800	-	-	-	-	Transfer from Dispatch for Mobile Comm Van
<b>Revenue Over (Under) Expenditures</b>	<b>(547,008)</b>	<b>5,243,872</b>	<b>5,790,881</b>	<b>5,268,155</b>	<b>(4,515,182)</b>	<b>752,973</b>	
Beginning Fund Balance	15,869,058	15,869,058		15,314,050	5,798,881	21,112,931	
<b>Ending Fund Balance</b>	<b>15,322,050</b>	<b>21,112,931</b>		<b>20,582,205</b>		<b>21,865,904</b>	

TOWN OF VAIL 2015 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
REAL ESTATE TRANSFER TAX FUND							
	2014	2014	Variance	2015	1st	Proposed	
	Amended	Actual	Fav / (Unfav)	Original	Supplemental	2015	Comments
				Budget		Amended	
Real Estate Transfer Tax	\$ 5,900,000	\$ 6,849,449	\$ 949,449	\$ 5,670,000		\$ 5,670,000	
Golf Course Lease	132,014	128,913	(3,101)	134,654		134,654	Annual lease payment from Vail Recreation District 2% annual increase - deposited to "Recreation Enhancement Account" (accompanying expenditure listed below)
Intergovernmental Revenue	119,900	125,394	5,494	20,000		20,000	\$20K Lottery fund proceeds
Project Reimbursements	1,165,000	226,868	(938,133)	-	938,133	938,133	Remainder of \$1.165M VRD portion for Golf Course Clubhouse construction
Recreation Amenity Fees	338,000	338,341	341	10,000		10,000	
Donations	-	32,550	32,550	-		-	AIPP Winterfest donations added to public art budget below
Earnings on Investments and Other	61,212	163,651	102,439	28,595		28,595	
<b>Total Revenue</b>	<b>7,716,126</b>	<b>7,865,166</b>	<b>149,040</b>	<b>5,863,249</b>	<b>938,133</b>	<b>6,801,382</b>	
<b>Maintain Town Assets</b>							
Annual Park and Landscape Maintenance	1,430,514	1,182,187	248,327	1,603,001	-	1,603,001	Ongoing path, park and open space maintenance, project mgmt
Management Fee to General Fund (5%)	295,000	342,472	(47,472)	283,500	-	283,500	5% of RETT Collections - fee remitted to the General Fund for administration
Tree Maintenance	65,000	58,946	6,054	65,000	-	65,000	Regular maintenance for tree health within the town (spraying, removing, new trees); scale spraying on town-owned property at approx. \$120 per tree; Initiating tree-planting program for lost trees
Forest Health Management	195,000	198,322	(3,322)	225,000	-	225,000	Pine beetle mitigation in conjunction w/ forest service; Wildfire prevention measures
Street Furniture Replacement	325,000	74,980	250,020	-	250,020	250,020	Re-appropriate for new recycling ordinance trash containers received in 2015
Glen Lyon Bridge	-	-	-	150,000		150,000	Re-decking of recreation path bridge; structural repairs & railings; too large a project to include in annual rec path capital maintenance
Alpine Garden Support	65,620	65,620	-	67,000		67,000	Annual operating support of the Betty Ford Alpine Gardens; assumes 2% increase per year
Alpine Garden Education Center	-	-	-	500,000		500,000	Awarded per Council contributions
Eagle River Watershed Programs	86,000	37,972	48,028	63,240		63,240	Annual support of the Eagle River Watershed Council programs; assumes 2% increase per year
Actively Green by 2015 Program	37,000	18,500	18,500	20,000	18,500	38,500	Council Contribution for continuation of this town-wide recycling education and certification program run by Walking Mountains; Re-appropriate 2014 unused because program spanned across years
Fencing around West Vail Community Garden	18,500	18,500	-	-	-	-	
Public Art - Operating	95,920	96,568	(648)	100,248	-	100,248	Art in Public Places programming
Environmental Sustainability	527,500	308,197	219,303	321,586	219,303	540,889	Re-appropriate unused recycling rebate program dollars to be used toward public education, outreach, fabric bags, etc. Environmental Sustainability programs; 2015 Includes new environmental planner position;
<b>Total Maintenance</b>	<b>3,141,054</b>	<b>2,402,263</b>	<b>738,791</b>	<b>3,398,575</b>	<b>487,823</b>	<b>3,886,398</b>	
<b>Rec. Path Capital Maint</b>							
Rec. Path Capital Maint	104,796	84,756	20,040	103,989	20,040	124,029	Capital maintenance of the town's recreation path system. Re-appropriate \$20K for preliminary planning for the relocation of the trail that runs through the LH gondola area
Park / Playground Capital Maintenance	128,838	126,412	2,426	98,500	-	98,500	Annual maintenance items include projects such as playground surface refurbishing, replacing bear-proof trash cans, painting/staining of play structures, picnic shelter additions/repairs, and fence maintenance.
Donovan Park Master Plan	5,000	-	5,000	379,000	5,000	384,000	2015 safety improvements to playground / park (10-11 years old); Re-appropriate \$5K planning
Flood Incident Repairs	847,795	43,252	804,543	-	804,543	804,543	Re-appropriate for re-stabilization of Dowd Junction path
Library Recreation Path Reconstruction	240,000	3,420	236,580	945,000	236,580	1,181,580	Reconstruction of the recreation path from the Vail Library to Lionshead, including 12 ft wide concrete trail, repairs to eroded culverts at Middle Creek and stream bank erosion repair (50 ft. section); Construction to begin in 2015. \$237K to be used for design.
Streambank/tract mitigation	1,684,834	84,972	1,599,862	-	1,000,000	1,000,000	Re-appropriate to complete the Gore Creek Strategic Action Plan; Includes estimates for streambank repairs (from water to bank) and riparian repairs (from bank to land area and revegetation).; mapping of water infrastructure, community education and outreach. Re-appropriate \$1M and transfer remaining \$600K to 2016 to accompany total project to be refined once the strategic action plan is complete.

TOWN OF VAIL 2015 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
REAL ESTATE TRANSFER TAX FUND							
	2014	2014	Variance	2015	1st	Proposed	
	Amended	Actual	Fav / (Unfav)	Original	Supplemental	2015	
				Budget		Amended	Comments
Water Quality / Storm Water	449,900	327,681	122,219	-	122,219	122,219	Would accompany repairs made with streambank/tract mitigation for storm water and culverts.
Skate Park - Temporary	260,000	50,534	209,466	-	209,466	209,466	Replacement of temporary skate park; Keep in the budget until permanent skate park finalized
Permanent Skate Park	75,000	-	75,000	-	75,000	75,000	Design & planning for a permanent skate park at the "Atrium" site.
Ford Park Portal Improvements	250,000	-	250,000	-	250,000	250,000	TOV portion of improvements to six portals into Ford Park
Vail Trail	-	-	-	-	250,000	250,000	Placeholder for new Vail Trail
Bike Lanes: N Frontage Rd	1,500,000	347,384	1,152,616	-	-	-	Moved up to 2014 from 2015 to correspond with CDOT overlay next year; Bike lane shoulder from Red Sandstone school to Buffehr Creek
Bike Lanes: S Frontage Rd	500,000	173,692	326,308	-	-	-	Bike lane shoulders: In 2013 from West Vail roundabout to Matterhorn; 2014 from Matterhorn to Cascade to be done in conjunction with Cascade CDOT parking project
Ford Park Playground Safety Improvements	450,000	52	449,948	-	-	-	Moved to Lower Bench Improvements (below)
Ford Park Playground / Lower Bench Impr	-	-	-	380,000	961,122	1,341,122	Public restrooms (\$511K), playground safety improvements (\$449.9K), and \$380K for lower bench improvements such as the waterline relocation, new pavers and ADA parking
Ford Park parking lot slope re-vegetation	100,000	-	100,000	-	100,000	100,000	Re-vegetate the slope down toward the river at the Ford Park parking lot originally scdhule in 2014
Booth Creek Playground	385,250	13,078	372,172	-	372,172	372,172	\$120K for design/engineering; remainder for potential start this fall
Booth Creek Park Redevelopment	512,000	-	512,000	-	-	-	Redevelopment of entire park including tennis courts, covered areas and playground structures; Tennis court (\$262K) and playground (\$250K) originally budgeted in 2014 will occur when overall park is reconstructed (budgeted in 2016)
Public Art - General program / art	390,831	37,154	353,677	85,000	359,226	444,226	To purchase sculptures, artwork, art programs and events; remainder is re-appropriated each year to accumulate enough funds
Public Art - Winterfest	78,730	31,000	47,730	-	80,280	80,280	Carry over balance from 2014 and recognize donations made for Winterfest event.
<b>Total Enhancements</b>	<b>7,962,974</b>	<b>1,323,386</b>	<b>6,639,588</b>	<b>1,991,489</b>	<b>4,845,649</b>	<b>6,837,138</b>	
<b>VRD-Managed Facility Projects</b>							
Recreation Enhancement Account	-	-	-	134,654	-	134,654	Annual rent paid by Vail Recreation District; to be re-invested in asset maintenance
Golf Course - Other Improvements	834,092	751,891	82,201	31,782	82,201	113,983	2015 golf maintenance building repairs
Dobson Ice Arena	144,475	144,475	-	124,133	-	124,133	Renovate changing rooms and restrooms
Ford Park / Tennis Center Improvements	12,270	371	11,899	85,031	11,899	96,930	Renovate Tennis Club Roof
Athletic Fields	15,604	-	15,604	59,714	15,604	75,318	Renovate Restrooms
Gymnastics Center	50,000	49,606	394	-	-	-	Unexpected foundation leak required immediate attention
<b>Total VRD-Managed Facility Projects</b>	<b>1,056,441</b>	<b>946,344</b>	<b>110,097</b>	<b>435,314</b>	<b>109,703</b>	<b>545,017</b>	
<b>New Assets</b>							
Golf Clubhouse and Nordic Center (CCF)	6,268,629	207,282	6,061,347	-	9,961,347	9,961,347	Total includes \$1.165M reimbursement from VRD, allocation of Recreation Enhancement Funds thru 2014 and Conference Center funds of \$3.8M (Total project cost originally estimated at \$6.8M, but per Council Sept '14, approved additional \$3.9M cost to project. This was originally budgeted in 2016, but moving forward to accomany the contract for work
Ford Park Improvements & Fields (CCF)	4,080,792	3,455,517	625,275	-	625,275	625,275	Re-appropriated balance less \$380K for lower bench improvements (waterline, pavers and ADA parking) to the Ford Park Lower Bench Improvements project (see above).
Public Restrooms	511,174	-	511,174	-	-	-	Transfer unused 2014 funds to the Ford Park Lower Bench Improvements project for public restrooms (budget was split)
<b>Total New Assets:</b>	<b>10,860,595</b>	<b>3,662,799</b>	<b>7,197,796</b>	<b>-</b>	<b>10,586,622</b>	<b>10,586,622</b>	
<b>Total Expenditures</b>	<b>23,021,064</b>	<b>8,334,792</b>	<b>14,686,272</b>	<b>5,825,378</b>	<b>16,029,798</b>	<b>21,855,176</b>	
<b>Other Financing Sources (Uses)</b>							
Transfer from Conference Center Fund	1,836,318	-	1,836,318	-	-	-	
<b>Revenue Over (Under) Expenditures</b>	<b>(13,468,620)</b>	<b>(469,626)</b>	<b>(12,700,914)</b>	<b>37,871</b>	<b>(15,091,665)</b>	<b>(15,053,794)</b>	
Beginning Fund Balance	16,848,758	16,848,758		3,376,676	12,700,914	16,379,132	
<b>Ending Fund Balance</b>	<b>\$ 3,380,138</b>	<b>\$ 16,379,132</b>		<b>\$ 3,414,547</b>		<b>\$ 1,325,338</b>	

**TOWN OF VAIL 2015 BUDGET  
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
HEAVY EQUIPMENT FUND**

	2014 Proposed Amended	2014 Actual	Variance Fav / (Unfav)	2015 Original Budget	1st Supplemental	2015 Proposed Amended	Comments
<b>Revenue</b>							
Town of Vail Interagency Charge	\$ 3,011,352	\$ 2,967,482	\$ (43,870)	\$ 3,011,352	\$ -	\$ 3,011,352	
Insurance Reimbursements & Other	-	59,309	59,309	-	-	-	
Earnings on Investments	14,650	14,146	(504)	14,650	-	14,650	
Equipment Sales and Trade-ins	127,380	56,170	(71,210)	148,270	-	148,270	
<b>Total Revenue</b>	<u>3,153,382</u>	<u>3,097,107</u>	<u>(56,275)</u>	<u>3,174,272</u>	<u>-</u>	<u>3,174,272</u>	
<b>Expenditures</b>							
Salaries & Benefits	973,366	934,286	39,080	994,189		994,189	
Operating, Maintenance & Contracts	1,482,474	1,522,728	(40,254)	1,467,757		1,467,757	
Capital Outlay	1,150,864	734,910	415,954	839,700	415,954	1,255,654	Vehicles budgeted in 2014, but taking receipt in 2015 (Detectives Ford Explorer, Polaris Ranger, Street Sweeper, Sewer Jetter, Emergency lights for FD Tahoe, Dumb Bed for Ford 550)
<b>Total Expenditures</b>	<u>3,606,704</u>	<u>3,191,924</u>	<u>414,780</u>	<u>3,301,646</u>	<u>415,954</u>	<u>3,717,600</u>	
<b>Revenue Over (Under) Expenditures</b>	<u>(453,322)</u>	<u>(94,817)</u>	<u>358,505</u>	<u>(127,374)</u>	<u>(415,954)</u>	<u>(543,328)</u>	
Beginning Fund Balance	2,271,673	2,271,673		1,818,351	358,505	2,176,856	
<b>Ending Fund Balance</b>	<u>\$ 1,818,351</u>	<u>\$ 2,176,856</u>		<u>\$ 1,690,977</u>		<u>\$ 1,633,528</u>	

**TOWN OF VAIL 2015 BUDGET  
SUMMARY OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TIMBER RIDGE ENTERPRISE FUND**

	2014 Amended	2014 Actuals	Variance Fav / (Unfav)	2015 Budget	1st Supplemental	2015 Proposed Amended
<b>Revenue</b>						
Rental Income	\$ 1,315,763	\$ 1,341,308	\$ 25,545	\$ 1,182,948		\$ 1,182,948
Other Income	16,658	5,136	(11,522)	11,900		11,900
<b>Total Revenue</b>	<u>1,332,421</u>	<u>1,346,444</u>	<u>14,023</u>	<u>1,194,848</u>	-	<u>1,194,848</u>
<b>Expenditures</b>						
Operating, Maintenance & Contracts	689,933	622,967	66,966	589,697		589,697
Capital Outlay	1,025,444	258,316	767,128	100,000	572,000	672,000
<b>Total Expenditures</b>	<u>1,715,377</u>	<u>881,283</u>	<u>834,094</u>	<u>689,697</u>	<u>572,000</u>	<u>1,261,697</u>
<b>Operating Income</b>	<u>(382,956)</u>	<u>465,161</u>	<u>848,117</u>	<u>505,151</u>	<u>(572,000)</u>	<u>(66,849)</u>
<b>Non-operating Revenues (Expenses)</b>						
Interest on Investments	2,044	1,812	(232)	1,560	-	1,560
Loan Principal Repayment to Capital Projects Fund	(345,966)	(345,966)	-	(351,155)	-	(351,155)
Interest Payment to Capital Projects Fund	(143,748)	(143,743)	-	(138,487)	-	(138,487)
<b>Revenue Over (Under) Expenditures</b>	<u>(870,626)</u>	<u>(22,736)</u>	<u>847,890</u>	<u>17,069</u>	<u>(572,000)</u>	<u>(554,931)</u>
Beginning Fund Balance	1,530,027	1,530,027		663,224	847,890	1,511,114
<b>Ending Fund Balance</b>	<u>\$ 659,401</u>	<u>\$ 1,507,291</u>		<u>\$ 680,293</u>	<u>\$ 275,890</u>	<u>\$ 956,183</u>

**ORDINANCE NO. 5  
SERIES OF 2015**

**AN ORDINANCE MAKING BUDGET ADJUSTMENTS TO THE TOWN OF VAIL GENERAL FUND, CAPITAL PROJECTS FUND, REAL ESTATE TRANSFER TAX FUND, HEAVY EQUIPMENT FUND, AND TIMBER RIDGE ENTERPRISE FUND OF THE 2015 BUDGET FOR THE TOWN OF VAIL, COLORADO; AND AUTHORIZING THE SAID ADJUSTMENTS AS SET FORTH HEREIN; AND SETTING FORTH DETAILS IN REGARD THERETO.**

WHEREAS, contingencies have arisen during the fiscal year 2015 which could not have been reasonably foreseen or anticipated by the Town Council at the time it enacted Ordinance No. 18, Series of 2014, adopting the 2015 Budget and Financial Plan for the Town of Vail, Colorado; and,

WHEREAS, the Town Manager has certified to the Town Council that sufficient funds are available to discharge the appropriations referred to herein, not otherwise reflected in the Budget, in accordance with Section 9.10(a) of the Charter of the Town of Vail; and,

WHEREAS, in order to accomplish the foregoing, the Town Council finds that it should make certain budget adjustments as set forth herein.

NOW, THEREFORE, BE IT ORDAINED, BY THE TOWN COUNCIL OF THE TOWN OF VAIL, COLORADO that:

1. Pursuant to Section 9.10(a) of the Charter of the Town of Vail, Colorado, the Town Council hereby makes the following budget adjustments for the 2014 Budget and Financial Plan for the Town of Vail, Colorado, and authorizes the following budget adjustments:

General Fund	\$ (48,000)
Capital Projects Fund	6,156,234
Real Estate Transfer Tax Fund	16,029,798
Heavy Equipment Fund	415,954
Timber Ridge Enterprise Fund	<u>572,000</u>
Total	\$ 23,125,986

2. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance; and the Town Council hereby declares it would have passed this ordinance, and each part, section, subsection, sentence, clause or phrase thereof, regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

3. The Town Council hereby finds, determines, and declares that this ordinance is necessary and proper for the health, safety, and welfare of the Town of Vail and the inhabitants thereof.

4. The repeal or the repeal and reenactment of any provision of the Municipal Code of the Town of Vail as provided in this ordinance shall not affect any right which has accrued, any duty imposed, any violation that occurred prior to the effective date hereof, any prosecution commenced, nor any other action or proceedings as commenced under or by virtue of the provision repealed or repealed and reenacted. The repeal of any provision hereby shall not revive any provision or any ordinance previously repealed or superseded unless expressly stated herein.

5. All bylaws, orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, resolution, or ordinance, or part thereof, theretofore repealed.

INTRODUCED, READ, APPROVED, AND ORDERED PUBLISHED ONCE IN FULL ON FIRST READING this 7th day of April, 2015, and a public hearing shall be held on this Ordinance on the 21st day of April, 2015, at the regular meeting of the Town Council of the Town of Vail, Colorado, in the Municipal Building of the town.

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Andrew P. Daly, Mayor

ATTEST:

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Patty McKenny, Town Clerk