

TO: Vail Town Council

FROM: Finance Department

DATE: July 5, 2016

SUBJECT: 2016 Budget Supplemental Appropriation

I. SUMMARY

In Tuesday evening's session, you will be asked to approve the first reading of Ordinance No. 15, Series 2016, a supplemental appropriation of the 2016 budget.

II. DISCUSSION

Included in this supplemental discussion are requests for funding outside of the town's normal budget cycle, or "off-cycle contributions". The purpose of this mid-year review is to provide an opportunity for organizations that have newly identified projects or unforeseen changes to their budgets to come forward all at the same time and for Council to provide consistent criteria and evaluations. Staff recommendations for these requests are attached on page 4.

General Fund

Budgeted revenue will be adjusted by an increase of \$20,784 directly offset by corresponding expenditures of \$9,000 of donations raised by the Friends of the Library that will be used towards funding a media display in the Galleria and \$11,784 of state funding for the Northwest Incident Management Team training exercise that occurred May 4th-6th in Winterpark, CO.

An overall expenditure increase of \$60,277 is requested with \$20,784 of that relating to the expenditures mentioned above. Other proposed expenditure adjustments include \$5,000 for employees to participate in the Sole Power program, a valley-wide "green community" program. The dollars would be used for an employee incentive program (\$0.25/mile bonus for green commuting) to reach the TOV's goal of 20,000 miles. The incentive is capped at \$500 for individuals. In addition, staff is requesting \$23,493 for town's portion of a special assessment by Vail Village Inn's homeowner association; and \$10,000 for the Western Land Group (WLG) to examine eleven Federal land parcels adjacent to the town and determine the feasibility of the Town acquiring any of these parcels. This study is in response to Council's priority to address the need of affordable housing in the community. WLG will provide a report summarizing their findings including recommendations, costs, and timetables. The report is scheduled to be completed August 30th, 2016. Also requested is \$11,700 to contract with Eagle County to manage the town's housing lottery and sales through The Valley Home Store. This service was

previously managed by the town by a now vacant position. This expense will be directly offset by salary savings from this position and will have no net impact to the General Fund.

The off-cycle contributions are included in this budget request based on staff recommendations however no off-cycle funding requests are recommended at this time. Please see page 4 for details of the contribution requests and staff recommendations.

These adjustments to the General Fund 2016 budget result in a net surplus of \$16,773, with a resulting fund balance of \$23.6 million by the end of 2016, or 64% of annual revenues.

Capital Projects Fund

Staff is requesting to supplement 2016 expenditures by a total of \$2,305,447. New projects and increases requested include:

- \$330,000 of previously approved funding for public art of the I-70 underpass to be moved forward from the 2018 budget.
- \$1,950,000 increase for the East Vail Fire Station renovation for a total project budget of \$3.6M based on Council's approval on
- \$25,447 increase of buy-down funds to be used to renovate the East Vail Fire Station housing units. Renovation of the existing unit will total \$227,094 and will be funded with the current buy-down funds budget of \$201,647 plus the additional \$25,447 supplemental request. A new employee housing unit will also be constructed at an estimated cost of \$209,025, and will be funded by budgeted housing fee-in-lieu funds. The total construction and renovation of the new and existing units will total \$436,119 with a net budget effect of \$25,447.

The proposed budget adjustments will result in an estimated fund balance of \$16.3 million by the end of 2016.

Real Estate Transfer Tax (RETT) Fund

Budgeted revenues will increase by \$6,000 to reflect a donation toward the Sole Power program from Volvo (\$5K) and First Bank (\$1K) to be directly off set by corresponding expenditures to fund the Sole Power program.

The proposed budget adjustments will result in an estimated fund balance of \$4.6 million by the end of 2016.

Dispatch Services

Revenue will be adjusted by a \$9,085 reimbursement from Pitkin Country for corresponding expenditures relating to an intergovernmental agreement to supply Vail Dispatch Services staff while Pitkin County rebounds from a severe staffing shortage. There is no net impact to the Dispatch Fund.

Timber Ridge Enterprise Fund

Staff is requesting \$49,000 additional capital dollars for the renovation of the 18 units master-leased by Vail Resorts. Over a three year span, the town will invest just over \$700,000 to renovate all 54 master-leased units. The town will re-coup this capital investment over a five year period through increased rental rates. The renovations include carpet/linoleum

replacement, drywall repairs, interior paint, new front entry doors and trim, and remaining bathroom remodels.

Vail Marketing Fund

Budgeted revenue will be adjusted by an increase of \$46,000 for additional business license collections relating to the new “Rental By Owner” ordinance requiring a business license. As a result corresponding management fee expenditures paid to the General Fund will need to increase by \$2,300, 5% of the incremental change in business license revenue.

2016 Off-Cycle Contributions

A. Vail Centre

BACKGROUND INFORMATION: The Vail Centre is requesting \$1,500,000 to finance the development of a dedicated lifelong learning facility at the Treetops building in Lionshead.

STAFF RECOMMENDATION: Staff does not recommend funding based on the fact that the request is outside council contributions policies for education and enrichment funding. Specifically, it is not within the policy to fund capital assets but rather to fund programs and events. The only examples of the town contributing to capital improvements of outside agencies is a \$500K contribution to the Betty Ford Alpine Gardens, which is located within Ford Park and on town land. The other example is a \$500K contribution for construction elements (not finishes or fixtures) of a major renovation of the Colorado Ski Museum. The Ski Museum is improving a town-owned building. Both of those facilities would most likely be operated by the town if the entities ever ceased to exist. Assisting with the purchase of a building, the improvements or operations for an external entity is not appropriate for funding with taxpayer dollars.

B. Vail Valley Foundation

BACKGROUND INFORMATION: The Vail Valley Foundation is requesting \$50,000 for the expansion of the America's Winter Opening Festival which would involve of the rollup of Snow Daze and the Birds of Prey events under the America's Winter Festival umbrella. The expended event would include beer tents, awards/bib draws, athlete signings, legend focused events, and public participatory events such as snow shoeing.

STAFF RECOMMENDATION: The town is currently contributing \$40,000 and in-kind services to the Snow Daze event; staff believes that a discussion between Council and the Vail Valley Foundation is necessary in order to make a funding decision.

C. Vail Valley Foundation dba Vail International Dance Festival

BACKGROUND INFORMATION: The Vail Valley Foundation is requesting \$15,000 to fund the new Community Art Access Program launching summer 2016. The contribution would be used to provide complimentary access to experience live performing arts to community members who otherwise would not have the opportunity.

STAFF RECOMMENDATION: Staff does not recommend funding with taxpayer dollars. Council is currently funding the International Dance Festival at the appropriate level of \$47,000 and hopes that a portion of this funding can be used to contribute to the Community Arts Access Program.

D. Vail Valley Charitable Fund

BACKGROUND INFORMATION: Vail Valley Charitable Fund is requesting \$25,000 for the Unveiled Calendar Fundraising event to support their Direct Aid Grant Program.

STAFF RECOMMENDATION: While staff greatly respects this organization and the service they provide to the community, it is not recommended for funding because it does not fit the criteria for Council contributions. It has been Council's policy to not support fundraising events in that it is not an appropriate use of taxpayer dollars.

TOWN OF VAIL 2016 BUDGET					
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE					
GENERAL FUND					
	2016				
	Original	1st	2016	2nd	Proposed
	Budget	Supplemental	Amended	Supplemental	2016
					Amended
					Comments
Revenue					
Local Taxes:	\$ 25,588,000		\$ 25,588,000		\$ 25,588,000
Sales Tax Split b/t Gen'l Fund & Capital Fund	62/38				
Sales Tax	\$ 15,865,000		\$ 15,865,000		\$ 15,865,000
Property and Ownership	4,913,000		4,913,000		4,913,000
Ski Lift Tax	4,728,000		4,728,000		4,728,000
Franchise Fees, Penalties, and Other Taxes	1,181,159		1,181,159		1,181,159
Licenses & Permits	1,594,254		1,594,254		1,594,254
Intergovernmental Revenue	1,882,916		1,882,916	11,784	1,894,700
Transportation Centers	4,225,000		4,225,000		4,225,000
Charges for Services	1,001,236		1,001,236		1,001,236
Fines & Forfeitures	250,942		250,942		250,942
Earnings on Investments	160,000		160,000		160,000
Rental Revenue	990,556		990,556		990,556
Miscellaneous and Project Reimbursements	182,000		182,000	9,000	191,000
Total Revenue	36,974,063	-	36,974,063	20,784	36,994,847
Expenditures					
Salaries	16,890,516		16,890,516	(11,700)	16,878,816
Benefits	6,236,674		6,236,674		6,236,674
Subtotal Compensation and Benefits	23,127,190	-	23,127,190	(11,700)	23,115,490
Contributions and Special Events	2,270,994	121,700	2,392,694		2,392,694
All Other Operating Expenses	7,773,781	74,331	7,848,112	70,977	7,919,089
Heavy Equipment Operating Charges	2,221,467		2,221,467		2,221,467
Heavy Equipment Replacement Charges	618,120		618,120		618,120
Dispatch Services	663,214		663,214		663,214
Total Expenditures	36,674,766	196,031	36,870,797	59,277	36,930,074
Revenue Over (Under) Expenditures	299,297	(196,031)	103,266	(38,493)	64,773
Castle Peak Senior Care Facility	(50,000)		(50,000)		(50,000)
2015 World Alpine Ski Championships	-		-		-
Pro-cycling event	-		-		-
2015 Nation's Event	-		-		-
Transfer to Dispatch Services Fund	-		-		-
Surplus Net of Transfers & New Programs	249,297	(196,031)	53,266	(38,493)	14,773
Beginning Fund Balance	18,910,046		23,622,508		23,622,508
Ending Fund Balance	\$ 19,159,343		\$ 23,675,774		\$ 23,637,281
					64%
EHOP balance included in ending fund balance - not spendable	\$ 705,382		\$ 705,382		

TOWN OF VAIL 2016 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
CAPITAL PROJECTS FUND							
		2016				Proposed	
		Original	1st	2016	2nd	2016	
		Budget	Supplemental	Amended	Supplemental	Amended	Comments
Revenue							
	Total Sales Tax Revenue:	\$ 25,588,000		\$ 25,588,000		\$ 25,588,000	2016 4.5% incr from 2015 amended
	Sales Tax Split between General Fund & Capital Fund	62/38		62/38		62/38	
	Sales Tax - Capital Projects Fund	\$ 9,723,000		\$ 9,723,000		\$ 9,723,000	38% to CPF
	Use Tax	1,545,000		1,545,000		1,545,000	2016 down from 2015;no new major developments assumed
	Federal Grant Revenue	544,800		544,800		544,800	2015-2016: Bridges at Nugget Lane and Bridge Rd
	Other State Revenue	-	123,603	123,603		123,603	\$77K State grant received for partial reimbursement of the Police E-Ticketing project; \$46.6K Colorado Division of Fire Prevention grant to be used towards a compressor; 2015: CDOT share of funding for I-70 Underpass Study
	Lease Revenue	197,295		197,295		197,295	Per Vail Commons commercial (incr. every 5 years) and residential leases
	Project Reimbursement	-	230,000	230,000		230,000	2015: \$40K reimbursement from ERWSD for waterline work on the Covered Bridge; \$33,293 Holy Cross grant for Snowberry utility project, \$230,000 revenue recognition for underground utility project
	TRAHC	461,065		461,065		461,065	Principal and interest on loans to Timber Ridge Fund
	Earnings on Investments and Other	149,281		149,281		149,281	0.7% rate assumed on available fund balance
	Total Revenue	12,620,441	353,603	12,974,044		12,974,044	
	Bus Shelters	30,000	20,000	50,000		50,000	Annual maintenance.
	Parking Structures	675,000	28,000	703,000		703,000	Use of 2015 savings for parking gate cameras(16K) and upper deck street light poles and fixtures (12K) budgeted in 2015 ; 2015: Various repairs including deck topping replacement, expansion joint repairs, ventilation, HVAC, plumbing and other structural repairs.
	Traffic Impact Fee and Transportation Master Plan Updates	150,000		150,000		150,000	Update of Traffic Impact Fees: \$130K; Transportation Master Plan: \$20K
	Facilities Capital Maintenance	319,125	22,000	341,125		341,125	Fire Station 2 (Main Vail) ventilation(\$22K); 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	5,000		5,000		5,000	\$5K annual maintenance
	Street Light Improvements	50,000	149,192	199,192		199,192	Continuation street lights improvements and to refurbish residential lighting
	Capital Street Maintenance	1,290,000		1,290,000		1,290,000	On-going maintenance to roads and bridges including asphalt overlays, patching and repairs; Cost increases based on recent pricing
	West Forest Bridge Repair	350,000		350,000		350,000	Major Bridge Repair Projects based on bi-annual bridge inspection
	Kinnickinnick (West) Bridge Repair	350,000		350,000		350,000	Major Bridge Repair Projects based on bi-annual bridge inspection
	Audio Visual Capital Maintenance	18,000		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
	Town-wide camera system	22,000		22,000		22,000	\$22K per year for replacement of cameras and equipment;
	Document Imaging	30,000		30,000		30,000	Annual maintenance, software licensing, and replacement schedule for scanners and servers. Includes \$38K for software platform upgrade in 2015.
	Software Licensing	51,000		51,000		51,000	Annual renewal of software licenses
	Police Taser Replacement	31,849		31,849		31,849	To replace outdated equipment purchased in 2007
	Automated External Defibrillator	9,870		9,870		9,870	Currently only a few police cars have this equipment; This request would outfit all police cars
	Public Safety ID Card Printer	8,740		8,740		8,740	Requesting printer specific to the "Salamander" software shared with regional agencies; would allow easy tracking of all resources on large events or incidents with the badges & barcodes printed
	Police Body Worn Cameras	69,585		69,585		69,585	For the purchase of 20 cameras for sworn officers, software licenses (\$23.7K) plus server hardware (\$15K) for the purposes of storing data
	Hardware Purchases	150,000		150,000		150,000	2015 replacement of three GIS printers/scanners; Two additional Simplivity Omnicube nodes in 2015 and 2016 at a cost of \$45K each
	Data Center (Computer Rooms)	1,000,000		1,000,000		1,000,000	Remodel / Retrofit upper and lower computer rooms (power, heating / cooling, fire suppression). Possible relocation into a combined room

TOWN OF VAIL 2016 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
CAPITAL PROJECTS FUND							
		2016				Proposed	
		Original	1st	2016	2nd	2016	
		Budget	Supplemental	Amended	Supplemental	Amended	Comments
	Website and e-commerce	12,000		12,000		12,000	Internet security & application interfaces; website redevelopment; includes \$550/month for web hosting svcs
	ArcGIS Systems	-		-		-	Replacement of plotter/scanner/copier for GIS
	Fiber Optics in Buildings	15,000		15,000		15,000	Annual maintenance \$15K;
	Network upgrades	30,000		30,000		30,000	Computer network systems replacements cycle every 3-5 years; 2015 included \$109K for an expansion of wireless service to West and East Vail (TOV equipment, not Crown Castle); Replacement of switches and routers
	Public Safety System	50,000		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
	Business Systems Replacement	-	44,079	44,079		44,079	Completion of Community Development permitting software project
	Transit Center Generator	-	191,200	191,200		191,200	Replacement of generator at the Vail Village transit center; includes re-landscaping and re-wiring; originally planned for 2014.
	Police E-Ticketing system	-	151,024	151,024		151,024	Continuation of electronic ticketing system to be completed in 2016; reduces data entry done by officers to record physical tickets; will interface with Full Court system; offset by state grant above
	Generator for East Vail Fire Station	50,000		50,000		50,000	To replace outdated generator at Station 1
	Portable vehicle lift	55,000		55,000		55,000	To service vehicles in fleet
	Vehicle Expansion	145,000		145,000		145,000	2016: 4 flatbed pick up trucks for Streets crews, Electricians, Irrigation crew, and Wild land Fire; Class 8 Dump
	Total Maintenance	4,967,169	605,495	5,572,664	-	5,572,664	
	Enhancement of Town Assets						
	Guest Services Enhancements/Wayfinding	-	1,077,624	1,077,624		1,077,624	Continuation of signage project Guest Service / Wayfinding enhancements outside of VRA district
	Energy Enhancements	-	92,900	92,900		92,900	Re-appropriate to complete Implementation of energy audit enhancements; includes continuation of LED lighting project with shared cost of \$170K from Holy Cross.
	Fire Equipment	16,000		16,000		16,000	2016: fire hose replacement
	Neighborhood Road Reconstruction	-	79,006	79,006		79,006	Continuation of shared project with ERWSD on Rockledge Rd;
	Neighborhood Bridge Reconstruction	-	503,412	503,412		503,412	Nugget Lane and Bridge design in 2015-2016 and construction in 2017-2018. Partial Funding is from Federal grants
	Fire Breathing Apparatus	-	46,603	46,603		46,603	Purchase of breathing apparatus equipment, funded fully by grant listed above.
	Colorado Ski Museum	500,000		500,000		500,000	Proposed town contribution toward expansion and remodel of Colorado Ski Museum
	East Vail Fire Department	1,500,000	119,130	1,619,130	1,950,000	3,569,130	Renovation of East Vail Fire Station
	Hybrid Bus Battery Replacement	-	431,772	431,772		431,772	Replace 7 batteries originally budgeted in 2015; Estimated life of 6 years
	Replace Buses	3,524,000		3,524,000		3,524,000	2016: 8 buses scheduled for replacement (\$440.5K per bus);
	Bus Wash Equipment	250,000		250,000		250,000	Interior equipment needs replacement;
	Buzzard Park Window Replacement	175,000		175,000		175,000	Replace windows at town-owned employee housing
	Public Works Equipment Wash Down/WQ Improvements	250,000		250,000		250,000	Exterior wash area for large trucks not safe in the winter; request also includes improvement to how the waste water is disposed of
	Resort App	-	65,000	65,000		65,000	TOV "Resort App" mobile application
	Bus Camera System	-	54,358	54,358		54,358	Continuation of Installation of software and cameras in buses
	Total Enhancements	6,215,000	2,469,805	8,684,805	1,950,000	10,634,805	
	New Assets						
	Municipal Redevelopment	5,000,000	1,475,770	6,475,770		6,475,770	Planning money shifted to 2015/2016; 2016 is a placeholder for a significant remodel should a complete reconstruction not occur. This cost is an estimate only, actual cost will depend on the scope of the project.

TOWN OF VAIL 2016 BUDGET							
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE							
CAPITAL PROJECTS FUND							
		2016				Proposed	
		Original	1st	2016	2nd	2016	
		Budget	Supplemental	Amended	Supplemental	Amended	Comments
	Chamonix Housing Development	-	1,795,013	1,795,013		1,795,013	Infrastructure, planning and design for future housing development
	I-70 Underpass (VRA)	3,250,000	432,437	3,682,437		3,682,437	Re-appropriate 2015 unused for continuation of I-70 underpass \$1.6M to cover total amount of contract 2014 - 2016; CDOT reimbursements will span several years, with 2016 amount showed above
	Public Art- Lionshead	-		-	330,000	330,000	I-70 Underpass art project originally budgeted in 2018
	East LH Circle pathway to Dobson (VRA)	100,000		100,000		100,000	Improve connection from the E LionsHead bus stop to Dobson; Per Council 9/16/14 push out one year pending Evergreen/VVMC projects; planning/design in 2016
	Dobson Plaza (VRA)	100,000		100,000		100,000	Redevelop the center plaza of Dobson for better flow of bus traffic, people traffic (concerts); planning/design in 2016; Per Council 9/16/14 push out one year pending Evergreen/VVMC projects
	Buy-down Program	-	201,647	201,647	25,447	227,094	Renovation of existing East Vail Fire housing unit
	Buy-down Program Funded by Pay -in-Lieu	-	2,816,230	2,816,230		2,816,230	\$209,025 to be used in 2016 for new housing at the East Vail Fire Station; Housing funded directly by Pay-in-Lieu fees collected from developers
	Underground Utility improvements	-	230,000	230,000		230,000	Underground utility improvements for Rockledge Road, \$50K; I-70 Underpass (CDOT \$105 & Holy Cross \$75K)
	Total New Assets:	8,450,000	6,951,097	15,401,097	355,447	15,756,544	
	Total Expenditures	19,632,169	10,026,397	29,658,566	2,305,447	31,964,013	
	Other Financing Sources (Uses)						
	Transfer from Vail Reinvestment Authority	3,500,000	432,437	3,932,437		3,932,437	I-70 underpass, Frontage Rd improvements; East LH and Dobson Plaza improvements; annual LH parking structure maintenance \$50K
	Transfer to RETT	(3,900,000)	3,900,000	-		-	Transfer to RETT for Golf Clubhouse project no longer necessary
	Revenue Over (Under) Expenditures	(7,411,728)	-	(12,752,085)	(2,305,447)	(15,057,532)	
	Beginning Fund Balance	20,930,692		31,339,419		31,339,419	
	Ending Fund Balance	13,518,964		18,587,334	(2,305,447)	16,281,887	

TOWN OF VAIL 2016 BUDGET						
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE						
REAL ESTATE TRANSFER TAX FUND						
	2016				Proposed	
	Original	1st	2016	2nd	2016	
	Budget	Supplemental	Amended	Supplemental	Amended	Comments
Real Estate Transfer Tax	\$ 6,500,000		\$ 6,500,000		\$ 6,500,000	Increase based on recent activity; 5% increase in 2016
Golf Course Lease	137,347		137,347		137,347	Annual lease payment from Vail Recreation District 2% annual increase - deposited to "Recreation Enhancement Account" (accompanying expenditure listed below)
Intergovernmental Revenue	20,000	8,500	28,500		28,500	\$5K grant from Plan4Health and \$3.5K grant for Public Works intern ; \$20K Lottery fund proceeds
Project Reimbursements	-	1,153,198	1,153,198		1,153,198	\$25K Reimbursement from Eagle County for E-Waste and recycling hauling rebate to be offset by Zero Hero waste program expenditures; 6K bag free revenue recognition to be offset by Hazardous Waste Collection Day expenditures; Vail Valley Foundation repayment of loan taken for Amphitheater project- repayment originally due in 2018; 2015: Remainder of \$1.15M VRD portion for Golf Course Clubhouse construction
Recreation Amenity Fees	10,000		10,000		10,000	
Donations	-		-	6,000	6,000	Donations from First Bank(\$1K) and Volvo(\$5K) for Sole Power Program
Earnings on Investments and Other	28,861		28,861		28,861	0.7% rate assumed
Total Revenue	6,696,208	1,161,698	7,857,906	6,000	7,863,906	
<u>Maintain Town Assets</u>						
Annual Park and Landscape Maintenance	1,586,600	18,500	1,605,100		1,605,100	\$15K for weed program in coordination with US Forest Service; \$3.5K for intern using grant funding; Ongoing path, park and open space maintenance, project mgmt.
Management Fee to General Fund (5%)	325,000		325,000		325,000	5% of RETT Collections - fee remitted to the General Fund for administration
Tree Maintenance	65,000		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	258,738	63,700	322,438		322,438	\$63,700 for Phase I of Intermountain Fuels Reduction Project- See attached memo; Pine beetle mitigation in conjunction w/ forest service; Wildfire prevention measures; 2016 added \$5K for public education, \$4K replacement of two radios, and an increase in summer crew to 6 (from 5)
Street Furniture Replacement	50,000	27,033	77,033		77,033	Re-appropriate for new recycling ordinance trash containers received in 2016 but budgeted in 2015; also includes annual replacement or capital repairs, benches and bike racks
Rec. Path Capital Maint	104,000		104,000		104,000	Capital maintenance of the town's recreation path system.
Park / Playground Capital Maintenance	100,200	4,781	104,981		104,981	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.
Alpine Garden Support	69,010		69,010		69,010	Annual operating support of the Betty Ford Alpine Gardens; assumes 2% increase per year
Eagle River Watershed Programs	45,000	23,260	68,260		68,260	Annual support of the Eagle River Watershed Council programs; assumes 2% increase per year
Actively Green by 2015 Program	40,000		40,000		40,000	Council Contribution for continuation of this town-wide recycling education and certification program run by Walking Mountains;
Public Art - Operating	104,132		104,132		104,132	Art in Public Places programming
Environmental Sustainability	385,500	41,000	426,500	6,000	432,500	\$6K for town-wide Sole Power program funded by donations above; \$10K for recycling containers signage using 2015 savings, \$25K for Zero Hero waste program (see corresponding revenue from Eagle Country). \$6K for Hazardous Waste Collection Day(See corresponding reimbursement from bag fee collections; for public education and recycling programs;; 2016 includes \$64K for Global Sustainable Destination certification initial year;
Total Maintenance	3,133,180	178,274	3,311,454	6,000	3,317,454	
<u>Enhancement of Town Assets</u>						
Chalet Road Sport Courts	1,050,000	(2,370)	1,047,630		1,047,630	Construction of Sport Courts on Chalet Road; Previously used 2016 budget to supplement 2015, so deduction of \$12.6K offset by savings of \$10K. Total project budget \$1.05M

TOWN OF VAIL 2016 BUDGET						
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE						
REAL ESTATE TRANSFER TAX FUND						
	2016				Proposed	
	Original	1st	2016	2nd	2016	
	Budget	Supplemental	Amended	Supplemental	Amended	Comments
Donovan Park Improvements	-	375,661	375,661		375,661	Continuation of 2015 safety improvements to playground / park (10-11 years old);
Ford Park Landscape Enhancement	200,000		200,000		200,000	Ford Park landscaping improvements (in current areas - no net increase to size)
Flood Incident Repairs	-	397,457	397,457		397,457	Re-appropriate for re-stabilization of Dowd Junction path
Library Recreation Path Reconstruction	-	10,000	10,000		10,000	Re-appropriate to complete 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)
Streambank/tract mitigation	-	780,561	780,561		780,561	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.
Water Quality / Storm Water	1,000,000		1,000,000		1,000,000	2016 accompany repairs made with stream bank/tract mitigation for storm water and culverts
East Vail Water Quality TAPS	50,000		50,000		50,000	East Vail Water Quality Improvements
East Vail Interchange Improvements	50,000		50,000		50,000	2016 Landscaping design. Construction of the interchange in 2019: \$1,089,760
Permanent Skate Park (VRA)	-	294,664	294,664		294,664	Re-appropriate to complete permanent skate park construction for LH Parking Structure "Atrium" site.
Ford Park Portal Improvements	-	510,000	510,000		510,000	\$260K utilization of 2015 savings from Ford Park Improvements Project to enhance portal design; \$250K re-appropriation TOV portion of improvements to six portals into Ford Park; matching contribution from VVF; originally scheduled in 2014.
Vail Trail	-	224,452	224,452		224,452	Placeholder for new Vail Trail near Golden Peak area
Booth Creek Playground	2,068,880	353,320	2,422,200		2,422,200	Redevelopment of entire park including tennis courts, covered areas and playground structures; Tennis court (\$262K) and playground (\$385K) originally budgeted in 2014 will occur when overall park is reconstructed.
Silfer Plaza/ Fountain/Storm Sewer	150,000		150,000		150,000	Repairs to Silfer Plaza fountain and storm sewers
Public Art - General program / art	85,000	426,229	511,229		511,229	To purchase sculptures, artwork, art programs and events; remainder is re-appropriated each year to accumulate enough funds; \$5K for Art Pass program offset by revenue above
Public Art - Winterfest	-	42,837	42,837		42,837	Carry over balance from 2015 (\$39K) and recognize donations made for Winterfest event (\$3,500).
Total Enhancements	4,653,880	3,412,811	8,066,691	-	8,066,691	
VRD-Managed Facility Projects						
Recreation Enhancement Account	137,347	(137,347)	-		-	Re-appropriate REA funds from 2015 \$(134,654) to be used in 2016. Use 2015 and 2016 REA funds toward Golf Clubhouse; Annual rent paid by Vail Recreation District to be re-invested in asset maintenance;
Golf Course - Other Improvements	551,822		551,822		551,822	Re-appropriate 2015 budget to Golf course clubhouse; 2016 golf maintenance building repairs;
Dobson Ice Arena	33,602	20,487	54,089		54,089	Pavers and concrete slab replacement; repair stucco concrete columns in main entry
Ford Park / Tennis Center Improvements	5,445	52,800	58,245		58,245	Renovate Tennis Club Roof
Athletic Fields	-	21,250	21,250		21,250	Roof replacement for restrooms and athletic field
Gymnastics Center	40,800		40,800		40,800	Cooling system Replacement
Nature Center	69,754		69,754		69,754	Replace exterior windows, doors, wood siding and slope roof
Total VRD-Managed Facility Projects	838,770	(42,810)	795,960	-	795,960	
New Assets						

TOWN OF VAIL 2016 BUDGET						
SUMMARY OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE						
REAL ESTATE TRANSFER TAX FUND						
	2016				Proposed	
	Original	1st	2016	2nd	2016	
	Budget	Supplemental	Amended	Supplemental	Amended	Comments
Golf Clubhouse and Nordic Center (CCF)	3,900,000	4,610,363	8,510,363		8,510,363	2016: Re-appropriate to complete Golf course clubhouse (\$7,859,122), use of 2015 and 2016 REA funds (\$272,001), use of re-appropriation of 2015 Golf course- other improvements (\$100,783), and increase budget for additional costs to complete clubhouse (\$278,457); Total includes \$1.15M reimbursement from VRD, allocation of Recreation Enhancement Funds \$765,440, Conference Center funds of \$3.8M, current RETT funds of \$538,189 (Total project cost estimated at \$13.8M, which includes previously spent RETT funds of \$705,571 from 2012 & 2013)
Ford Park Improvements & Fields (CCF)	-	392,190	392,190		392,190	Utilization of 2015 cost savings for a lighting control system(97K), transformer enclosure replacement(35K), a manual traffic gate(48K), and 100K contingency; Continuation of 2015 Ford Park projects in 2016 (\$112K)
Total New Assets:	3,900,000	5,002,553	8,902,553	-	8,902,553	
Total Expenditures	12,525,830	8,550,828	21,076,658	6,000	21,082,658	
Other Financing Sources (Uses)						
Transfer to Capital Project Fund	3,900,000	(3,900,000)	-		-	Transfer from Capital Projects Fund for Golf Clubhouse project no longer necessary
Revenue Over (Under) Expenditures	(1,929,622)		(13,218,752)	-	(13,218,752)	
Beginning Fund Balance	3,887,675		17,797,518		17,797,518	
Ending Fund Balance	\$ 1,958,053		\$ 4,578,766		\$ 4,578,766	

**TOWN OF VAIL 2016 BUDGET
SUMMARY OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
DISPATCH SERVICES FUND**

	2016 Original Budget	1st Supplemental	2016 Amended	2nd Supplemental	Proposed 2016 Amended	Comments
Revenue						
E911 Board Revenue	\$ 742,627		\$ 742,627		\$ 742,627	
Interagency Charges	1,175,653		1,175,653	9,085	1,184,738	Overtime and travel billed to Pitkin County; see corresponding expenditures below
Town of Vail Interagency Charge	663,214		663,214		663,214	
Earnings on Investments	6,275		6,275		6,275	
Total Revenue	<u>2,587,769</u>	<u>-</u>	<u>2,587,769</u>	<u>9,085</u>	<u>2,596,854</u>	
Expenditures						
Salaries & Benefits	2,081,259		2,081,259	7,666	2,088,925	Overtime billed to Pitkin County for dispatch services
Operating, Maintenance & Contracts	513,358	1,000	514,358	1,419	515,777	Travel billed to Pitkin County
Total Expenditures	<u>2,594,617</u>	<u>1,000</u>	<u>2,595,617</u>	<u>9,085</u>	<u>2,604,702</u>	
Revenue Over (Under) Expenditures	<u>(6,848)</u>	<u>(1,000)</u>	<u>(7,848)</u>	<u>-</u>	<u>(7,848)</u>	
Surplus Net of Transfers	(6,848)	(1,000)	(7,848)	-	(7,848)	
Beginning Fund Balance	895,969		949,810		949,810	
Ending Fund Balance	<u>\$ 889,121</u>		<u>\$ 941,962</u>		<u>\$ 941,962</u>	

**TOWN OF VAIL 2016 PROPOSED BUDGET
SUMMARY OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
TIMBER RIDGE ENTERPRISE FUND**

	2016 Budget	2nd Supplemental	Proposed 2016 Amended	Comments
Revenue				
Rental Income	\$ 1,304,531		1,304,531	
Other Income	17,650		17,650	
Total Revenue	1,322,181	-	1,322,181	
Expenditures				
Operating, Maintenance & Contracts	510,588		510,588	
Capital Outlay	236,000	49,000	285,000	\$49K for renovation of 18 (out of 54) master-leased VR units
Total Expenditures	746,588	49,000	795,588	
Operating Income	575,593	(49,000)	526,593	
Non-operating Revenues (Expenses)				
Interest on Investments	600		600	
Loan Principal Repayment to Capital Projects Fund	(356,423)		(356,423)	
Interest Payment to Capital Projects Fund	(133,142)		(133,142)	
Revenue Over (Under) Expenditures	86,628	(49,000)	37,628	
Beginning Fund Balance	716,625		826,319	
Ending Fund Balance	\$ 803,253		\$ 863,947	

**TOWN OF VAIL 2016 PROPOSED BUDGET
SUMMARY OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
VAIL MARKETING FUND**

	2016 Budget	2nd Supplemental	Proposed 2016 Amended	Comments
Revenue				
Business Licenses	332,000	46,000	378,000	Business license collections from vacation rental by owner
Earnings on Investments	1,500		1,500	
Total Revenue	333,500	46,000	379,500	
Expenditures				
Commission on Special Events / Grants	17,687		17,687	
Collection Fee - General Fund	309,000	2,300	311,300	5% of additional business license revenue
Total Expenditures	326,687	2,300	328,987	
Revenue Over (Under) Expenditures	6,813	43,700	50,513	
Beginning Fund Balance	213,157		203,263	
Ending Fund Balance	219,970		253,776	

**ORDINANCE NO. 15
SERIES OF 2016**

AN ORDINANCE MAKING BUDGET ADJUSTMENTS TO THE TOWN OF VAIL GENERAL FUND, CAPITAL PROJECTS FUND, REAL ESTATE TRANSFER TAX FUND, DISPATCH SERVICES FUND, VAIL MARKETING FUND, AND TIMBER RIDGE ENTERPRISE FUND OF THE 2016 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 2016 which could not have been reasonably foreseen or anticipated by the Town Council at the time it enacted Ordinance No. 15, Series of 2015, adopting the 2016 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 2016 Budget and Financial Plan for the Town of Vail, Colorado, and authorizes the following budget adjustments:

General Fund	\$	59,277
Capital Projects Fund		2,305,447
Real Estate Transfer Tax Fund		6,000
Dispatch Services Fund		9,085
Vail Marketing Fund		2,300
Timber Ridge Enterprise Fund		<u>49,000</u>
Total	\$	2,431,109

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 5th day of July, 2016, and a public hearing shall be held on this Ordinance on the 19th day of July, 2016, at the regular meeting of the Town Council of the Town of Vail, Colorado, in the Municipal Building of the town.

Dave Chapin, Mayor

ATTEST:

Patty McKenny, Town Clerk