



Memorandum

To: Vail Town Council

From: Vail Local Marketing District Advisory Council

Date: March 20, 2018

Subject: Vail Local Marketing District 2018 Supplemental

I. SUMMARY

On Tuesday afternoon you will be asked to approve Resolution 13, amending the 2018 Vail Local Marketing District budget.

II. FUNDING REQUESTS

The purpose of this supplemental is to reflect decisions that occurred since the 2018 budget was finalized.

On December 19th, 2017 Council approved a \$310,000 Council Contribution for the Colorado Classic bike race event, with \$200,000 to be contributed from the Vail Local Marketing District and the remaining \$110,000 from the Town of Vail's General Fund.

The above adjustment will result in a projected fund balance of \$836,244, or approximately 26% of annual revenues, within Council's directive of 25% of annual revenues.

Vail Local Marketing District 2018 Budget

	(Unaudited)				
	2017	2017	2018	1st	2018
	Amended	Actual	Budget	Supplemental	Amended
Income					
Lodging Tax	3,300,000	3,276,976	3,200,000		3,200,000
Interest Income	2,000	147	2,000		2,000
Total Income	3,302,000	3,277,123	3,202,000		3,202,000
Expense					
Destination	1,285,500	1,359,423	1,182,548		1,182,548
International	273,000	280,048	235,052		235,052
Front Range	264,000	265,231	222,000		222,000
Groups and Meetings	752,965	670,198	756,375		756,375
Public Relations Expenses	115,000	120,242	85,200		85,200
Content/Influencer Strategy	-	-	100,000		100,000
Photography / Video	258,000	241,800	112,000		112,000
Research	136,088	140,506	84,365		84,365
Web Site	104,000	69,384	50,000		50,000
Admin Miscellaneous	7,487	6,831	8,000		8,000
Email Marketing	6,500	6,500	6,500		6,500
Branding	110,000	110,000	98,000		98,000
Professional Fees					
Vail App	-	-	35,000		35,000
Legal and Accounting	25,000	25,000	25,000		25,000
Advertising	-	-	48,000		48,000
Advertising Agent Fees	45,000	45,000	45,000		45,000
Marketing Coordination-TOV	95,000	90,000	95,000		95,000
Marketing Coordination-VVP	40,000	45,000	40,000		40,000
Professional Fees - MYPR	132,460	132,460	124,960		124,960
Ft Range Promotion Fees	22,000	22,000	22,000		22,000
Total Professional Fees	359,460	359,460	434,960		434,960
Special Event Funding					
Special Event Funding	53,000	3,990	-	200,000	200,000
Pro-Cycling Challenge	-	-	-		-
Event Liason	25,000	-	25,000		25,000
Total Special Events	78,000	3,990	25,000		225,000
Total Expense	3,750,000	3,633,612	3,400,000		3,600,000
Net Income	(448,000)	(356,489)	(198,000)		(398,000)
Beginning Fund Balance	1,590,734	1,590,734	1,142,734	91,511	1,234,245
Ending Fund Balance	1,142,734	1,234,245	944,734		836,245
%age Fund Balance (25% required)	35%	38%	30%		26%

**RESOLUTION NO. 13
SERIES OF 2018**

**A RESOLUTION APPROVING AN AMENDED OPERATING PLAN AND
BUDGET OF THE VAIL LOCAL MARKETING DISTRICT, FOR ITS FISCAL
YEAR JANUARY 1, 2018 THROUGH DECEMBER 31, 2018**

WHEREAS, the Town of Vail (the “Town”), in the County of Eagle and State of Colorado is a home rule municipal corporation duly organized and existing under the laws of the State of Colorado and the Town Charter (the “Charter”); and

WHEREAS, the members of the Town Council of the Town (the “Council”) have been duly elected and qualified; and

WHEREAS, C.R.S. §29-25-110 requires the Council’s annual approval of the operating plan the Vail Local Marketing District (the “VLMD”).

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF VAIL, COLORADO THAT:

Section 1. The Council approves the operating plan and budget of the VLMD for marketing related expenditures beginning on the first day of January, 2018, and ending on the 31st day of December, 2018.

Section 2. This Resolution shall take effect immediately upon its passage.

INTRODUCED, PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Vail held this 20th day of March, 2018.

Dave Chapin, Town Mayor

Attested:

Patty McKenney, Town Clerk