

2020 Budget Impacts

Town Council | March 24, 2020



TOWN OF VAIL

Sales Tax greatly reduced for most of March, April and May

More solid footing in June, with less impact for the rest of the summer months

November and December will estimate some impacts, not significant

Lift Tax and Parking sales estimated 20% down based on %age of season

Vail will prepare for a “significant” or “major” impact

Significant: Impacts to revenue are significant, such as a 10-15% reduction. Staff recommends limited service reductions (“unseen” services to be reduced first), manage staffing vacancies and deferring capital projects. Utilize reserves where necessary. Potential merit deferral / freeze in wages.

Major: Impacts to revenue are major, such as a 15-20% reduction. Staff recommends service reductions, merit deferral / freeze in wages, potential reduction in staff and deferring capital projects. Utilize reserves.

Options for consideration:

- Reduce operating expenditures to cover some of loss
- Utilize fund balance generated in 2019
- Reconsider sales tax split between GF and CPF
- Defer merit increases for employees with a re-assessment in late summer
- Align staffing resources with current situation
- Plan for delay of large capital projects – and-
- Consider if advantageous to pursue other projects, real estate acquisition, etc. to achieve Council's goals and spur local economy
- Plan for additional marketing spend to boost visitation when appropriate; postponed special events

