



**SUMMARY OF MINUTES  
RESTON COMMUNITY CENTER  
BOARD OF GOVERNORS' MEETING  
FEBRUARY 2, 2009**

**Present:**

- Carol Ann Bradley, Chair
- Colin Mills, Secretary
- Bill Bouie, Vice Chair
- Beverly Cosham
- Cathy Vivona, Treasurer
- John Gasson

**Absent and Excused:**

- Claudine Varesi
- Bill Keefe
- Bill Penniman

**Staff:**

- Leila Gordon, Executive Director
- Denise Snyder, Executive Assistant

**Visitors:** None

The Chair called the meeting to order at 8:02 p.m., welcoming the viewing audience.

**Approval of the Agenda:**

Carol Ann Bradley, Chair

**MOTION #1:**

Bill Bouie moved that the Board approve the Agenda. Colin Mills seconded the motion. The motion was unanimous.

**Approval of the December 1, 2008 Board Minutes:**

Carol Ann Bradley, Chair

**MOTION #2:**

Bill Bouie moved that the Board approve the December 1, 2008 Board Minutes. Colin Mills seconded the motion. The motion passed unanimously.

**Approval of the December 1, 2008 Board Actions:**

Carol Ann Bradley, Chair

**MOTION #3:**

Colin Mills moved that the Board approve the December 1, 2008 Board Actions. Bill Bouie seconded the motion. The motion was unanimous.

## February 2, 2009 BOG Meeting cont'd

### Chair's Remarks:

Carol Ann Bradley, Chair

The Chair gave a brief overview of what occurred during the Board's 2009 Annual Board Retreat, which took place at the Airlie Conference Center in Warrenton, Virginia on January 9 -10. The main focus of the retreat was to meet with the consultants from Brailsford & Dunlavey to discuss the RCC/RA Task Force initiative to build a new recreational facility in Reston. The facility will include, but is not limited to, tennis, aquatics, yoga and other fitness programs. The project is still in the initial phase, with both sides trying to decide if it is a doable project; however, both sides agree that it is a much-needed facility. There will be more information to come as the project develops.

### Introduction of Visitors:

Carol Ann Bradley, Chair.

The Chair noted the absence of visitors.

### Board Member Input on Activities Attended:

Carol Ann Bradley, Chair

John, who is also the president of the Friends of Reston, said he attended one of their meetings where they discussed the continuation of moving forward to realize the Nature House. He said that the restroom and storage facility that once stood at the Nature House is no longer there. He warned that if people were using that structure as a landmark, they will certainly miss where they are going because that landmark is no longer there. John also attended a Reston Association (RA) Design Review Board (DRB) meeting, where the stream restoration project in the Glade section was the topic of discussion and was unanimously passed by the DRB Board.

Cathy attended the performance of Mark O'Connor, the MLK Day Celebration, and bridge.

Bill B. attended the Friends meeting, the DRB meeting, an Initiative for Public Art – Reston (IPAR) meeting (They are moving forward with the implementation plan. Three projects will be funded as well as a permanent position,) the MLK Day Celebration, and attended the Presidential Inauguration.

Beverly participated in a Chorale Christmas concert; attended the 2009 Board Retreat; participated in the MLK Day Commemorative March; sang at the MLK Day concert with the Reston Community Orchestra, attended the performances of Mark O'Connor and Andrea Marcovicci, attended Chorale rehearsals (there will be February 21st concerts at 6:00 p.m. and 8:00 p.m. at the Center,) and attended Wii exercise/games classes.

Colin, who is also the liaison to the Reston Citizens Association, stated that a unanimous vote was given in reference to a resolution to work with the County as they look toward revising the Reston Master Plan and the Comprehensive Plan for the area. A provision to mandate accessible and/or visible housing on all new residential construction in Reston was added. Colin also attended the 2009 Board Retreat, the performance of Andrea Marcovicci, and a GRACE Family Fun event with his daughter. He said the GRACE Family Fun day was a great event and a lot of fun.

Carol Ann regularly attends yoga class. She participated in the taping of the Martin Luther King weekend along with Hunter Mill District Supervisor Cathy Hudgins and Hank Blakely and attended the MLK Day Celebration programming. Carol Ann commented that it was a fabulous program and that the RCC staff and the MLK committee did a wonderful job in bringing everything together. She said that Jim Vance was outstanding and that Harold Ford's presentation at South Lakes High School was well received and enjoyed by all that attended. Carol Ann also mentioned that lunch was provided by the South Lakes culinary arts students, who did a fantastic job. She also stated that the students are available to provide

## **February 2, 2009 BOG Meeting cont'd**

catered meals for meetings that can be booked at the school. She mentioned how cooperative both principals at Langston Hughes Middle School and South Lakes High School are with the Center. Carol Ann also attended the Chorale concert.

### **Community Relations Committee – December 8, 2008**

Colin Mills, Chair. The report was summarized and submitted for the record. Please see attached report.

### **Program Policy Committee – December 8, 2008**

Colin Mills, Vice Chair. The report was summarized and submitted for the record. Please see attached report.

### **Finance Committee – December 15, 2008/January 29, 2009**

Cathy Vivona, Chair. Both reports were summarized and submitted for the record. Please see attached reports.

### **Long Range Planning Committee – February 2, 2009**

Bill Bouie, Chair. Bill reported that the Long Range Planning Committee met prior to the Board meeting. The purpose of the meeting was to give a status update in terms the RCC/RA Task Force Initiative to build a new recreational facility in Reston and to lay out some preliminary timelines. Bill stated that the Board retreat gave Board members an opportunity to go through a very exhaustive process of reviewing programming needs that should be contained within the facility. A design of what the programming should be was agreed upon and was communicated to the consultants, Brailsford & Dunlavey.

Bill further reported that the RA Board also met last week and went through the same process with the consultants. Both organizations are in agreement regarding the support for the facility. The next step is to delve into the details. Details include, but are not limited to, what size the structure should be, how many tennis courts there should be, the programming elements, what the parking capacity should be, whether the space is for public or community use, who will own/run the facility, etc. Bill stated that quite a bit of progress has been made in moving ahead. He said that the timeline will call for a public referendum sometime in 2010 and that hopefully in the middle of the year construction can then begin once all of the details are finalized.

Bill stated that the hand-in-hand cooperation between all entities involved (RCC/RA Boards, RCC/RA executive teams, the community, the County Executive, Fairfax County Planning and Zoning, Department of Management and Budget, County Attorney's Office) is the best part of the effort. According to Bill, nothing is being left to chance.

Bill reported that for the next three months, the hope is to finalize the design and to place bookmarks within the RCC budget process to facilitate a full discussion in the June timeframe for putting together the FY2011 and affected FY2010 budgets for approval and to ensure that everyone is made aware of what is taking place. RA will go through the same process of setting up timelines for any referendum items that they would need in order to move forward. It is uncertain as to whether RA will need a referendum; however, RCC will definitely need a referendum in the form of a bond referendum within the next 18 months.

### **Approval of Committee Reports:**

Carol Ann Bradley, Chair

### **MOTION #4:**

Bill Bouie moved that the Board approve the Committee Reports. Colin Mills seconded the motion. The motion passed unanimously.

## February 2, 2009 BOG Meeting cont'd

### **Executive Director's Report:**

Leila Gordon, Executive Director. The report was summarized and submitted for the record. Please see attached report along with attachments.

### **Old Business:**

Carol Ann Bradley, Chair.

In response to a question from Cathy, Leila responded that the status of the MOU is that Bill P., who is also an attorney, has agreed to examine the materials from the County Attorney and then do a close review for any legal issues that should be clarified. Bill P. intends to bring his review back in time to be implemented as recommended changes prior to the Preference Poll Committee meeting in March. Leila said that she received information from the same on-line voting company that handles RA's on-line voting process. The cost is less than \$10,000; therefore, two other bids will be solicited. The Preference Poll Committee will then examine the cost of the on-line component and the cost of tabulating any walk-in voting that will be conducted at both Centers during the "in person" walk-in/absentee voting period.

### **New Business:**

Carol Ann Bradley, Chair.

The following meetings are scheduled for the month of February:

- February 9, Community Relations/Program Policy Joint Meeting, 6:00 p.m.
- February 23, Finance, 6:00 p.m.

Carol Ann invited the viewing audience to join the Community Relations/Program Policy Committees and RCC staff at the February 9 joint meeting at 6:00 p.m. to provide input for the new programming season.

### **MOTION #5:**

Colin Mills moved that the meeting be adjourned. Bill Bouie seconded the motion. The motion was unanimous.

The meeting adjourned at 8:52 p.m.

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Colin Mills, Board Secretary

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Date

**RESTON COMMUNITY CENTER  
BOARD ACTIONS  
TAKEN AT BOARD OF GOVERNORS' MEETING ON FEBRUARY 2, 2009**

- |                  |           |                                                                   |
|------------------|-----------|-------------------------------------------------------------------|
| <b>09-2-02-1</b> | <b>Bd</b> | <b>That the Board approve the Agenda.</b>                         |
| <b>09-2-02-2</b> | <b>Bd</b> | <b>That the Board approve the December 1, 2008 Board Minutes.</b> |
| <b>09-2-02-3</b> | <b>Bd</b> | <b>That the Board approve the December 1, 2008 Board Actions.</b> |
| <b>09-2-02-4</b> | <b>Bd</b> | <b>That the Board approve the Committee Reports.</b>              |
| <b>09-2-02-5</b> | <b>Bd</b> | <b>That the meeting be adjourned.</b>                             |

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Colin Mills, Board Secretary

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Date



**MEMORANDUM**

**DATE:** December 9, 2008  
**TO:** RCC Board of Governors  
**FROM:** Colin Mills  
Chair, Community Relations Committee  
**SUBJECT:** December 8, 2008 Community Relations Committee Meeting

The Community Relations Committee met on Monday, December 8, 2008. Present were:

- Colin Mills, Chair
- Cathy Vivona
- Carol Ann Bradley, Board Chair

Bill Keefe and Claudine Varesi were absent and excused. Attending from the RCC staff was Leila Gordon, RCC Executive Director. The Chair called the meeting to order at 6:07 p.m.

**Chair's Remarks:** Colin remarked that the community survey showed that the Center's record of communication with our patrons is very strong. He said that the challenge for the Community Relations Committee is to maintain that success and to adapt to changing conditions as the Center moves forward. He added that communication between organizations in Reston is at its highest level, i.e., the Joint Task Force between RCC and Reston Association, the partnerships that were made while the RCC was "On the Road", the Reston Citizens Association Citizen of the Year (presentation to Hank Blakely will be made on December 15, 2008 at 5:00 p.m. at the RCC), and various sponsorship activities such as the Best of Reston Awards, Northern Virginia Fine Arts Festival, and the Knowledge Exchange are ways that the RCC name has been placed in front of a variety of audiences. Colin expressed that he is proud that RCC has been a leader in initiating some of the discussions, and that he thinks RCC should continue to be a leader in reaching out to other organizations.

Colin then focused on the changing economy and how it continues to impact the community. He said that the Board has expressed a desire to help people within the community that are struggling. One such example is the upcoming foreclosure workshop. Colin said that the Center needs to continue our outreach efforts. Colin encouraged his committee members to talk to people about what the Center could do to help people get through these tough times.

Colin went on to say that "RCC On the Road" was a great opportunity for the RCC to get out into the community. He said that the goal is to have the community see the RCC as accessible and open to new ideas.

**Committee's Direction/Areas of Interests for 2009:** Colin asked committee members to express any ideas or thoughts of what they felt they would like to see the Committee accomplish this year. They are as follows:

- Cathy explained that she no longer receives the local paper. She said that others in the community may not be receiving them either, and if that is the case, all of the public relations work that the RCC is doing is falling on fallow ground.

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Leila said that the RCC media department's emphasis has been on electronic communication devices and less on the local papers. Although the media department does a great job of generating press for the Center in the local papers, more and more people rely on alerts (i.e., the CenterStage alerts and the schedule of upcoming events/activities in the RCC Newsletter, inserts in the A to Z Guide (RA mail out), ads in the annual publications, the RCC Website, the RCC show on cable television, and the CNN insert). Leila said that she would find out from the media department, and then circulate to the Board, the different categories of interest groups that the Center uses with Constant Contact. Leila also added that depending on the activity, there are a variety of ways that information is disseminated. When the RCC joins in partnership with other organizations, PR is sometimes handled by the other organization. Leila stated that she felt it important to continue mailing the RCC Program Guide because of the outreach. Proof of the outreach is evident in the record number of registrations that have been received for the Winter/Spring season to date. There have been more registrations than there have been in years. Leila further stated that as a consequence of the economy and concern for the environment, people are moving more toward an electronic format to get information. The website is being used more frequently, and the "rcccontact" email is also more frequently used. Leila said that the word about RCC is definitely getting out there.

- Cathy suggested that there might be a way to give the tickets away to performances that are not fully subscribed to bring more people into the theatre. Once such distribution venue could be a Fellowship House raffle.

Leila stated that one of the RCC Arts and Events Director's big projects is outreach to the schools and trying to establish connections with specific teachers of arts disciplines. The performance of Doug Varone was such an example. Forty youth from the dance and theatre school that just opened in Reston attended the performance.

- Carol Ann noted that there were two gentlemen that sit in the RCC lobby every night – she wondered if they were homeless and if they knew of the hypothermia setup. She asked how something like that could be addressed.

Cathy suggested that a sign be posted. Leila stated that the men were not homeless and further explained that one has a substance abuse problem and has been very obstreperous in the past with staff and with others at various events. The deputy director has spoken with them on occasion, and they have been put on notice that either they are compliant with the RCC Code of Conduct or they are not going to be welcome in the building. Leila said that since that discussion, things have been calm and peaceful. Leila also stated that she will be meeting with Verdina Haywood, Deputy County Executive, to discuss ways in which the RCC can take an active role in helping other parts of the County's services and programs inventory during this economic downturn. Leila is also looking into obtaining materials from the County regarding County services that can be made available at the RCC for those who may need them.

- Carol Ann mentioned that there are a group of people that cannot afford to take classes at RCC.

Leila stated that there will be a report generated at the end of December on the status of scholarship usage. It is Leila's belief that because of the concerted effort to get the word out about RCC scholarships, people are now more aware that they are available. Once the report comes in, it will determine whether or not the usage exceeds what was done in the past.

In response to questions from Cathy, Leila stated that the Friends of the RCC were still active. She also added that she had had discussions about nominating Bea Malone, president of the Friends, for the Best of Reston Awards. Leila stated that the scholarship funds no longer come from the Friends, they come from RCC funds. They are waived fees or unrealized revenue. Leila plans to meet with Bea to discuss the Heritage Language Initiative funds. The initiative involves direct scholarships of savings bonds to student volunteer mentors in the program. Leila said that the RCC should not be purchasing savings bonds for individual student recipients. Leila also said that it does, however, fall along the lines of the Community Service Awards that the Friends sponsor. Leila is hoping that the Friends would underwrite that for the RCC. Leila further stated that Kevin Danaher, the Community Events director, has established a good working relationship with Bea. Both Bea and Kevin are working on establishing a new volunteer program for the RCC.

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In response to a question from Carol Ann, Leila stated that not only do patrons know about RCC scholarships from reading it in the Program Guide, but the schools and Reston Interfaith know about it also.

In response to another question from Carol Ann, Leila said that the RCC has a marketing budget and that this fiscal year, the marketing budget will be centralized in the media department so that when the RCC advertises in the local papers, the advertisement will consist of either a full or half page ad that contains multiple kinds of activities/events/programs. Leila said that she would like to start in January with at least one ad per month in each paper describing highlights of the month, with the focus on the RCC's 30<sup>th</sup> Anniversary.

Leila stated that the focus groups were a good start to the discussion process for the Task Force, and capturing the email addresses of the attendees at the focus groups would enable RCC to remain in touch with those groups as the Task Force pursues its objectives. Leila said that hopefully, that kind of engagement with the community will continue. Leila further stated that what will be needed is a substantive or nearly unanimous sense on the part of both the RCC and RA boards that the collaboration has merit and that the model that they come up with is worthwhile and should be pursued.

In response to a question from Cathy, Leila stated that at the last meeting of the Task Force, the base model was eliminated, and it was decided that the figures for the standard and comprehensive would be refined. The next step is for each organization to determine its minimum requirements in terms of the kind of programming ownership, and how to refine the data they have on usage levels and fees and the range of fees to be charged. Meetings have been held to discuss different aspects of lessons and scheduling the different facilities. She said that a lot of data exchange will take place in reference to such things as facility rental and how to balance and coordinate between programming spaces and renting spaces. The figures will be refined on those bases and a report will be delivered on December 23<sup>rd</sup>. The report will give the data that affirms the expectation for revenue that is projected, the data that affirms the expectation for user levels, a detailed outline of programs (the array of facilities and what they are meant to provide), and the price tag for it.

In answer to another question from Cathy, Leila said that to determine a fee structure, the RCC will look at the current structure and what is being proposed in their current financial models. On December 15, during the Finance Committee meeting, Leila said that she will have prepared the cost of the debt financing for a five-year period. The projections for operating cost and revenue will be done by the consultant. Those projections will be discussed in detail at the Board retreat. Leila said that at the retreat, the Board will also look at ways to sustain the current things that are being done. If activities shift from the Hunters Woods facility to another, the Board will look at what should be expected in terms of transitioning facility usage and what would be done simultaneously to adapt the Hunters Woods/Lake Anne facilities to more specialized usage if the bulk of fitness programming is shifted to the new facility. Leila hopes that by January/February timeframe, the Board will be able to launch a discussion with the community on how to proceed to take full advantage of the inventory of facilities that are available.

In response to Cathy's question, Leila responded that she did not think that the new facility would be self-sustaining in terms of revenue. Leila said that there is no model for that and that the most robust recovery ratio that they could find locally is about 80 percent of cost being recovered in fees – but she said that that is at a very high fee level which is the exact opposite of the current RCC model. Leila stated that the Taskforce would have to look at what is the best break point for both organizations. There was a brief discussion about what will be presented at the December 15 Finance meeting.

In response to another question from Cathy, Leila stated that the consensus of those that attended the last Task Force meeting is that the simplest mechanism in reference to the capital project arrangement

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would be for RA to provide the land and RCC amortize in bond the actual capital construction. Depending on what that financial ratio is between the assessed value of the land and the cost of the bonds and the capital project that could then determine a revenue sharing relationship and some joint operational requirements in terms of who will shoulder what costs.

Leila stated that she foresees that FY11 will be the toughest year, since RCC will have to pay large upfront A/E costs on the facility, which will eat away at the reserves. But she said by FY12, the economy should be on the upswing and once Metrorail is in place, redevelopment in areas close to the Metro will have a positive impact on the budget.

There was a brief discussion on the types of possible programming that will be available at the new facility.

- Colin suggested that in order to make it easier for community members to engage in dialog with the Board, there needs to be contact information for the Board members on the web, so that there is a direct point of contact for the Board
- Colin also suggested that the chairs of each committee should be listed on the web also.

Leila agreed that there should be contact information and indication of the committees and the chairs of each committee should be posted. She did say, however, that since the MOU is specific about who speaks/responds for the Board, she did not think that there should be a contact number or email address for each Board member. She said that they would probably want to consider having the communication come through the Center through the rcccontact email address ([rcccontact@fairfaxcounty.gov](mailto:rcccontact@fairfaxcounty.gov)) and then forwarded to the respective chair.

Cathy added that the person who speaks for the Board is the Chair. Leila acknowledged that as being correct and added that she felt it valuable for people to know who the chairs are for each committee. Leila added that she would take a look at the Board's page on the web to see if there are ways to encourage participation in committee meetings, etc. She also added that in her experience, people are more prone to participate if there is an issue that they want addressed. She further stated that once an outreach plan is developed for the Task Force issue, Board members will be contacted, because it will generate a lot of attention. Colin added that he wanted to give people as much opportunity as permitted to communicate with the Board.

**Community Relations Process for Task Force Results:** Leila asked Committee members to start thinking about outlining a community engagement process that can be followed and that will assure the community is prepared if a referendum question is placed on the 2009 ballot. The plan should be to garner support for the initiative and to stress that the initiative is for the benefit of Reston residents and its employees, not a regional benefit. Colin agreed that there needs to be a multifaceted plan of attack to educate the community about why the initiative will be great for Reston. Leila added that the support of other interest groups should be enlisted as well.

In answer to a question from Carol Ann, Leila stated that the community engagement process would involve both the RCC and RA. Leila said that she will make a recommendation that part of the movement forward include creating a very succinct power point presentation that can be taken to various clubs and organizations, etc., to provide information.

With no further business, the meeting adjourned at 7:14 p.m.



## MEMORANDUM

**DATE:** December 9, 2008  
**TO:** RCC Board of Governors  
**FROM:** Colin Mills  
Vice Chair, Program Policy Committee  
**SUBJECT:** December 8, 2008 Program Policy Committee Meeting

The Program Policy Committee met on Monday, December 8, 2008. Present were:

- Colin Mills, Vice Chair
- Carol Ann Bradley, Board Chair
- Beverly Cosham
- Cathy Vivona

Bill Keefe and Claudine Varesi were absent and excused. Attending from the RCC staff was Leila Gordon, Executive Director. The Chair called the meeting to order at 7:15 p.m.

**Status of the MOU:** Leila stated that the draft MOU sent to her by County Attorney, Mike Long, was not suitable for what the Board needed to accomplish in reference to revising the current RCC MOU. The document did contain updated Freedom of Information Act code numbers that could be used. Leila stated that her plan is to do the following as it relates to the current MOU:

- Highlight and change references to the Code
- Revise references to Small District 5 boundaries to reflect the new boundaries
- Delete the term limit sentence (Section 5e)
- Review whether the MOU needs to be revised as it relates to the IPAR initiative, and
- Make revisions related to the preference poll.

There was a brief discussion about Section 5e of the MOU which relates to term limits. The consensus of the group was that once that section is revised, the Board will then have the option of voting for whether or not to keep someone in a particular office or to select someone else.

There was a brief discussion about the revisions to the MOU in reference to the preference poll. Leila suggested that the best way to handle the preference poll would be not to describe the actual method of conducting the poll as much as to describe the process elements that are required. Leila further explained that what is needed is to employ a process that provides for representation of households in Small District 5 at a minimum, which provides for the fullest degree of participation and provides results that can be verified independently by some other entity other than the Reston Community Center. She

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said that if those are the parameters, then it becomes the purview of the Preference Poll Committee every year to design the specific process to be consistent with those requirements.

Colin agreed that it was better to list the guidelines in the MOU rather than dictate a particular process. Leila said that once the revisions are made, the Board could then review them at the end of the retreat.

Leila addressed Cathy's request to schedule a Board meeting at the end of the retreat in order to take care of any voting that may need to occur. Leila recommended that the Board return to Reston, reconvene in a meeting room at Hunters Woods at an established time that is announced and then take whatever action is necessary in the way of voting. If a vote is not necessary, then the next step would be to convene a Long Range Planning Committee meeting out of cycle once the Board has a sense of what RA's decision will be in reference to the Task Force initiative. RA's decision should be known by December 23<sup>rd</sup>.

In response to a question from Cathy, Leila stated that the RCC policy guidelines should be reviewed within the context of the rental policy review, which is one of the Balanced Scorecard projects. The target timeframe for that review is at the end of March. A comprehensive document that contains all of the rental policies for all of the spaces, specialized and non-specialized, a combination of all of the user policy language and the Code of Conduct will be made available to the committee at a later date.

With no further business, the meeting adjourned at 7:33 p.m.



## MEMORANDUM

**DATE:** December 16, 2008  
**TO:** RCC Board of Governors  
**FROM:** Cathy Vivona, Chair  
Finance Committee  
**SUBJECT:** December 15, 2008 Finance Committee Report

The Finance Committee met on Monday, December 15, 2008. Present were:

- Cathy Vivona, Chair
- John Gasson
- Bill Penniman, Vice Chair
- Bill Bouie

Attending from the RCC staff was:

- Leila Gordon, Executive Director
- Renata Wojcicki, Director of Finance

The Finance Committee Chair officially called the meeting to order at 6:15 p.m.

**FY09 Monthly Financials Review:** Renata began the meeting with the review of monthly financials for the period elapsed through November or roughly 42% of the current fiscal year. She pointed out the November booking of tax revenue collected from October billing as indicated of \$1,892,339. Revenue collection from taxes in Small District 5 to date appears to be suffering less than overall County revenue collections. Other areas where revenue has already been collected as activities have been completed were pointed out in Camp Goodtimes, and within collections for Arts Education as a result of summer YAT and LARK programs. Leila pointed out that revenues in Theatre Admissions are higher than anticipated reflecting stronger levels of ticket purchasing than had been anticipated. This parallels the rise in revenues from program registrations. Leila further described the record-setting number of registrations received in the month of December in response to the Winter/Spring Program Guide deliveries.

In response to a question from Cathy, Renata confirmed that the beginning fund balance amount of \$9,266,814 is the amount of the ending fund balance from FY08, The Estimated year end balance reflects anticipated revenue collection for the current fiscal year and expenditures to be made without including the capital projects.

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In Personnel expenditures, Renata explained that most areas are on track with expenditures mirroring the indicated percentage of the year transpired and related costs. She explained that in the Maintenance category, the number was slightly higher as a consequence of another department having borrowed a position from the maintenance inventory and the index code not having been changed accordingly. This was researched and backup data from Human Resources was obtained. The Committee will see the reversal and reallocation of the costs accordingly in the next monthly report. In other categories, higher percentages of expenditures are attributable to the completion of the summer programs with high personnel expenses related to them. Renata pointed out that the Teen department personnel expenditures are lower than normal due to the fact that the SOS program has not been staffed and so those expenditures are not reflected.

In Operating expenditures, in response to a question from Bill P., Renata explained that the YTD totals for expenditures includes both actual expenditures made to date and encumbrances.

In response to a question from John, Renata described the set-aside in Administration, a portion of the budget described in working terms as a "Master Blanket" account. This is an amount of money encumbered to address building-wide needs such as maintenance contracts, and program needs that may arise out of cycle. It is reallocated through the fiscal year to the actual category and area of the actual expenditures as they occur, so that number will decrease steadily as the fiscal year proceeds and other numbers in actual expenditure columns increase. Each category is spent according to plans and administrative areas; and program areas are in good fiscal standing at this point. Renata described that each area will have a mid-year accounting by department, and adjustments to internal expenditures will be made as needed and approved. The large encumbrance in the administration area described accounts for the total of expenditures for operating being somewhat higher than the percentage of the fiscal year elapsed.

In Capital Projects, the detail on the HW LA Priority 1 projects was distributed. (Attached.) In response to a question from John, Leila described the current status of the various capital projects. She explained that while much of the work associated with Phase III of the HVAC project has been completed, there remains the critical process of the full programming of the new system, subsequent balancing, and commissioning of all related equipment. Leila further explained that because of concern about the contractor's dedication to completing the final aspects of the project and remaining "punch list" items, she was withholding approval to pay approximately \$200,000.00. Until RCC and the Construction oversight of SWSG's representative, Charles Gornowich, are satisfied that the project is substantially complete, this set of payments will not be made. The committee discussed the various concerns and aspects of the HVAC project related to the need to work with the County contractor, Harvey Hottel. In general, Board members agreed that RCC staff should not provide final payments until the systems were substantially complete, commissioned and the warranties in effect.

In other capital projects, Leila described the relatively complete status of the rigging project, the Natatorium renovation downstairs in the Terry L. Smith Aquatics Center, and the successful test of the new fire alarm system conducted December 11. She stated that the old fire alarm system is being demolished and that the redesign of the pool overlook and adjacent program offices would be near completion by the end of December, which would allow the Computer Lab to be restored. Leila stated that she would have a final accounting of these projects provided to the Board to review at the retreat.

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In other projects, Leila explained that it is likely that there will be carryover to complete the HW LA Priority 1, Moving Lights, and Dressing Room Renovations during the next period of regular maintenance shutdowns related to those various locations.

**Joint RA/RCC Task Force Issues:** The Committee then reviewed the progress of the RA/RCC Task Force and related fiscal issues. Leila described the calendar of milestones required for financing capital projects with Bonds from a referendum. Committee members reviewed preliminary estimates Renata described of the magnitude of the cost for debt service predicated on a 20 year bond repayment schedule and the maximum capital cost discussed to date by the Task Force if RCC funds 100% of the capital costs and if RCC funds 50% and RA funds 50%. A variety of different scenarios were discussed with respect to the potential costs to each organization of capital project debt, land value, operational costs and revenue recovery ratios. Leila explained to the Committee that the consultant had been asked to develop projections based on lower user fees for Reston (Small District 5 users) and a higher level of subsidy. Bill P. pointed out that under that structure, there would not be actual revenue sharing per se but rather a formula devised for operational cost sharing between the two organizations. The Committee agreed that RCC Board members would need to examine the study results at the retreat and determine the minimum outcomes desired from the RCC perspective and then compare those to similar objectives developed by the RA Board to determine whether it would be possible to proceed with the collaboration. If both organizations find the outcomes desired and potential operating paradigm acceptable, all agreed it would require a very aggressive community engagement process to stay on a calendar path to a referendum in November of 2009 for capital project bonds.

There being no further business, John Gasson moved to adjourn the meeting, seconded by Bill Bouie, and the meeting was adjourned at 7:13 p.m.

Reston Community Center  
 Budget vs Actuals Worksheet  
 Nov-08

<b>100%/12*5mos=42%</b>							
<b>Beginning Fund Balance</b>	\$ 9,266,814						
<b>Est. Y-End Fund Balance</b>	\$ 5,739,197						
<b>Revenue</b>	<b>Budget FY09</b>	<b>Oct</b>	<b>Nov</b>	<b>ENCUMBR.</b>	<b>YTD</b>	<b>REMAINING BALANCE</b>	<b>YTD % actual</b>
Administration	\$ 7,350,203	\$ 50,716	\$ 1,892,339		\$ 5,639,777	1,710,426	76.73%
Performing Arts-Theatre Admiss.	49,500	4,443	8,385		33,864	15,636	68.41%
PA Theatre Rental	20,900				314	20,587	1.50%
PA Cultural Activities/ Arts Org	0	1,054	10,971		7,593	(7,593)	0.00%
Aquatics Classes/drop-in	270,000	(1,095)	10,873		23,778	246,222	8.81%
Aquatic Rental	18,000				132	17,868	0.73%
General Programs Admin					0	0	0.00%
Teens	65,288	1,890	(305)		30,585	34,703	46.85%
Senior	49,298	363	582		15,842	33,456	32.13%
Youth	34,264		4		7,626	26,639	22.26%
Adult	128,838	846	656		45,943	82,895	35.66%
Community Events	5,000	289	384		907	4,093	18.15%
Camp Goodtimes	52,200				51,279	921	98.24%
Arts Education	101,890	857	(108)		67,165	34,725	65.92%
<b>Total RCC Revenue</b>	<b>\$ 8,145,381</b>	<b>\$ 59,362</b>	<b>\$ 1,923,782</b>	<b>\$ -</b>	<b>\$ 5,924,804</b>	<b>\$ 2,220,577</b>	<b>72.74%</b>

<b>Personnel Expenses</b>	<b>Budget FY09</b>	<b>Oct</b>	<b>Nov</b>	<b>ENCUMBR.</b>	<b>YTD</b>	<b>REMAINING BALANCE</b>	<b>% Budget Used Ytd</b>
Administration	486,635	24,455	24,455		114,193	372,442	23.47%
Board OG	5,764				135	5,629	2.34%
Booking	109,897	8,897	9,077		39,931	69,966	36.34%
Comptroller	302,284	19,859	19,537		92,964	209,320	30.75%
Customer Service	359,374	12,760	19,266		64,450	294,924	17.93%
Engineering	91,103	6,930	6,984		30,948	60,155	33.97%
Maintenance	269,473	26,408	24,048		116,181	153,292	43.11%
IT	102,483	7,106	7,106		33,325	69,158	32.52%
Media	160,971	15,256	15,044		63,890	97,081	39.69%
Performing Arts	418,860	19,422	20,114		91,736	327,124	21.90%
Aquatics	638,023	29,475	34,131		159,136	478,887	24.94%
General Programs Admin	96,027	6,136	6,136		28,755	67,272	29.94%
Teens	124,365	6,476	7,555		44,909	79,456	36.11%
Senior	138,576	8,002	8,168		36,529	102,047	26.36%
Youth	160,724	7,367	7,815		45,784	114,940	28.49%
Adult	152,053	10,992	12,341		46,169	105,884	30.36%
Community Events	157,564	11,369	12,967		50,127	107,437	31.81%
Camp Goodtimes	82,041				65,414	16,627	79.73%
Arts Education	247,729	16,031	15,915		114,385	133,344	46.17%
<b>Total Personnel Expenses</b>	<b>\$ 4,103,946</b>	<b>\$ 236,940</b>	<b>\$ 250,658</b>	<b>\$ -</b>	<b>\$ 1,238,964</b>	<b>\$ 2,864,982</b>	<b>30.19%</b>

Operational Expenses	Budget FY09	Oct	Nov	ENCUMBR.	YTD	REMAINING BALANCE	% Budget Used Ytd
Administration	389,844	15,580	19,965	386,436	446,731	(56,887)	114.59%
Board	38,150	536	7,737	0	9,538	28,612	25.00%
Booking	70,347	229	2,191	8,929	17,952	52,396	25.52%
Comptroller	456,501	19,653	16,566	149,022	235,233	221,268	51.53%
Customer Service	4,825				-	4,825	0.00%
Facility Engineer	86,539		3,070	21,779	27,667	58,872	31.97%
Maintenance	342,966	9,806	30,672	131,329	195,316	147,649	56.95%
IT	176,413	5,473	719	2,925	12,302	164,111	6.97%
Media	293,947	5,626	11,632	37,405	115,535	178,412	39.30%
Performing Arts	351,410	33,502	17,853	11,790	98,142	253,268	27.93%
Aquatics	95,150	1,402	5,038	10,785	28,622	66,528	30.08%
General Programs Admin	5,100				225	4,875	4.41%
Teens	128,983	18,049	6,520	9,943	82,699	46,284	64.12%
Senior	99,002	8,291	5,874	17,607	48,271	50,731	48.76%
Youth	42,814	3,025	5,118	7,555	21,301	21,513	49.75%
Adult	134,084	5,764	13,837	78,266	115,512	18,572	86.15%
Community Events	81,818	6,511	1,465	32	59,823	21,995	73.12%
Camp Goodtimes	31,960	1,728		0	26,058	5,902	81.53%
Arts Education	100,703	4,347	12,978	15,728	50,385	50,318	50.03%
<b>Total Operational Expenses</b>	<b>\$ 2,930,555</b>	<b>\$ 139,520</b>	<b>\$ 161,235</b>	<b>\$ 889,530</b>	<b>\$1,591,310</b>	<b>\$ 1,339,244</b>	<b>54.30%</b>

Capital Proj. Expenses	Budget FY09	Oct	Nov	ENCUMBR.	YTD	REMAINING BALANCE	% Budget Used Ytd
HVAC Upgrade 003717.1	\$ 2,593,822	\$ 50,973	\$ 281,197	\$ 226,916	1,745,054	\$ 848,768	67.28%
Natatorium 003717.2	\$ 1,278,055	\$ 433,277	\$ 19,246	\$ 144,699	974,188	\$ 303,867	76.22%
Theatre Rigging 003717.3	\$ 181,090	\$ 63,904	\$ 84,616	\$ 2,600	164,574	\$ 16,516	90.88%
Fire Alarm Repl. 003717.8	\$ 203,990	\$ 78,376		\$ 99,007	177,383	\$ 26,607	86.96%
Lockers Repl. 003717.4	\$ -				0	\$ -	0.00%
HW LA Priority 1 003717.5	282,000				0	282,000	0.00%
Moving Lights 003717.6	39,540				0	39,540	
Theatre Dressing Room Renov.	60,000				0	60,000	
<b>Total Capital Expenses</b>	<b>\$ 4,638,497</b>	<b>\$ 626,530</b>	<b>\$ 385,058</b>	<b>\$ 473,222</b>	<b>\$ 3,061,199</b>	<b>\$ 1,577,299</b>	<b>66.00%</b>

<b>Total RCC Expenditures</b>	<b>\$ 11,672,998</b>	<b>\$ 1,002,989</b>	<b>\$ 796,951</b>	<b>\$ 1,362,753</b>	<b>\$ 5,891,473</b>	<b>\$ 5,781,525</b>	<b>50.47%</b>
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**Detail of HW and LA capital projects  
priority 1 and 2**

Locker Room Lighting	2,500	
Replace Asbestos Floors	30,000	
Replace Popcorn Ceiling	10,000	
Replace Drywall Kitchen Area	2,000	
		44,500
LA ADA compliant doors	5,000	
LA Front Desk Re-Design	10,000	
		15,000
Enhance CR Acoustics	\$42,000	
Upgrade CR Sound System	\$68,000	
Staging/Seating Equipment	\$24,000	
Performance Lighting	\$45,000	
Blackout Curtains	\$10,000	
Replace Exterior Skylights	\$15,000	
Replace Back Dock	\$15,000	
		\$219,000
<b>Total HW and LA Priority 1 and 2</b>		<b>\$278,500</b>
Budget		\$282,000



## MEMORANDUM

**DATE:** January 30, 2009  
**TO:** RCC Board of Governors  
**FROM:** Cathy Vivona, Chair  
Finance Committee  
**SUBJECT:** January 29, 2009 Finance Committee Report

The Finance Committee met on Monday, January 29, 2009. Present were:

- Cathy Vivona, Chair
- Carol Ann Bradley, Board Chair
- Bill Penniman, Vice Chair
- John Gasson
- Bill Bouie

Attending from the RCC staff was:

- Leila Gordon, Executive Director

The Finance Committee Chair officially called the meeting to order at 6:00 p.m.

Renata Wojcicki, Director of Finance, celebrated her 32nd wedding anniversary and was; therefore, absent and excused.

**Monthly Financials Report:** Leila stated that the Center is in good shape in terms of revenue from taxes and reports that everything else is on track. Aquatics experienced a significant drop in terms of class revenue due to the Center's closure from June 1 through the end of October. Community Events (CE) revenue will not be made up due to the fact that a substantial part of it involved vendor fees associated with the Multicultural Festival which was impacted by a hurricane and did not occur.

Leila stated that the Center continues to see trends that show increases in participation, ticket buying and registered participants in the current economic climate because more people are staying close to home and taking advantage of what the RCC offers.

In answer to a question from John, Leila responded that the population of the community is tracked pretty routinely on a demographic basis by the County. She further stated that the Center has very solid numbers for participation from year to year in terms of registered and ticket purchasing activities. She stated that for drop-in programs, she has to rely to some degree on estimates which can cause the budget documents to be somewhat misleading because a lot of the performance management indicators

**January 29, 2009 Finance Committee Report**  
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do not include people who come to community events, people who attend the Saturday morning coffee every week or the number of people who are at the Center because they are attending a facility rental. She said that there are tens of thousands of people that the RCC software does not capture because they do not have to register to be counted. Leila further stated that she has rewritten sections of the performance measurement section of the budget to try to give a full description of those kinds of activities and rough estimates of the numbers of people impacted through them to have those augment the number of people that the hard data demonstrates are served.

Leila stated that in her January Executive Director's report, she will attach reports for the first six months of the year on participation from each of the program areas – Aquatics, General Programs, Arts & Events – that will show what registered participation levels are, the size of the waitlists, and the number of participants over the first half of the fiscal year. This will give the Board a sense of what the pressure points are. Leila added that in order to maintain diverse and balanced offerings across different interests and age groups, there will still be offerings that garner less participation and others that will have waitlists that cannot be addressed due to the inability to duplicate the theatre or the pool on Saturday mornings, for example, as facility driven limiting factors.

Leila reported that personnel revenue is running on track with about a ten percent gap between what the percentage of the year is and the percentage of expenditure. She said some of that is due to the days at the end of the month of December that are not picked up in the spreadsheet as part of the payroll and due to vacancies and hires that comes in at lower salaries than the budget projections anticipated. Leila stated that this year will not show any extreme swings in personnel expenses. She said that the Center will be able to absorb most of the cost of added exempt hires. The conversion of contract exempt employees to character 20 personnel expense employees will create a certain amount of tightening of the character 20 allocation. Once FY10 budget is loaded and it is discussed with the Department of Management and Budget, they will increase character 20 allocations in the exempt category to accommodate that action.

Leila further reported that the furlough day will impact next month's report. The impact will not be dramatic due to the decision to remain open to serve the patrons of the RCC as well as the fact that in the month of January, the RCC had a pretty significant number of "all hands on deck" merit staff working on Martin Luther King Day which amounts to extra pay and also due to the extra holiday – Inauguration Day – on which a substantial number of merit staff also worked. Whatever savings the Center may have seen as a consequence of the furlough day, was substantially lost because of the Center's operational requirements.

In terms of Administration, it should come into alignment as third quarter approaches and will be in balance at the end of the fiscal year.

In response to a question from Cathy, Leila responded that it is not a negative number in Administration but is the decrease as the Center reallocates and spends against the encumbrances. It is money that is coming out of blanket purchase agreements and large reservations at the front end to accommodate expenses.

In response to a question from John, Leila agreed that the Center is halfway through and 63 percent spent which is showing now appears high in terms of what to anticipate by year-end. Bill P. stated that it is due to pre-allocation that affects the encumbrance. In response to a question from Cathy, she said the figure for December in Admin may reflect a reversal or a returned deposit such as the one recently

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received from HQ Regus for the security deposit on the rental there. She said that there are times when the Center will receive returned deposits or refunds and they are then booked to character 30 against the original expense. She said that she would check with the Finance director to see what the \$19,166 represents.

In response to another question from John, Leila responded that he was correct in assuming that the 63 percent is dollars spent across all operational categories. Bill P. added and clarified that it is spent or encumbered.

In response to another question from John, Leila responded that by the end of the fiscal year, the sum total of the general programs dollars will come out to be on budget for that particular unit. The same will happen for Arts & Events which comprises Performing Arts, Community Events, and Arts Education. Leila pointed out that at the end of each year; the Center has always ended up with more money left in the budget than was allocated. Leila further responded that the difficulty in a fiscal year such as FY2010 is that the budget analyst in the County will tussle with the RCC over what is loaded into the budget because of all of the new directives from the County regarding budget cuts. Leila indicated that Renata hopes to make adjustments to the budget in a March/April timeframe following submission of the third quarter review.

In reference to Capital Project Expenses, Leila said that a meeting was held on Tuesday morning where a substantial completion assessment was given by the construction supervisor. The November payment that had been pending will be released. The systems furniture order/installation should take place in another eight weeks and the chair replacement project is well underway.

The fund statement was provided to committee members for their reference and information. (See attached.)

**RCC/RA Task Force Initiative:** Leila addressed the following question which came out of the Board retreat and which she was asked to research. The question was as follows:

- Does the Center have to allocate a debt service payment that is the same amount for the entire 20 years? This question was in reference to the estimate from the County debt manager's office as to what, hypothetically, a capital project of this magnitude would cost in terms of the interest range that they were looking at and the term of the bond life. Leila stated that the concern that Cathy V. had was: would the Center be obligated to have that every year going forward in that amount or could the Center's debt financing be structured more along lines that are likelier to be accommodated (which is to be very low on the front end of the debt payment obligation and move the higher end payments to a point where it is better aligned with our revenues and our ability to make a higher payment?) Leila said that the County replied in the affirmative – that the debt can be structured any way the Center wanted to do it. The minimum payment at the front end of the bond life is the interest payment and then the Center would be able to go to any point above that if the funds are needed to be used. The County recommended that prior to undertaking the referendum itself, that the Architectural and Engineering Design (A&E) cost be underwritten within existing reserves and monies. Leila foresees no problems doing so given the resources that are likely at the end of the fiscal year and going into the next fiscal year.

The recommendation was given because it should result in refined costs that would help to give the County agencies that have to work on creating the bond package, refined cost figures to work

with so that there is not an under financed or over financed bond amount. Instead of using bond money to fund pre-construction costs, all that will be bonded will be capital construction. The County suggested that if it is reviewed at the end of the period of time that the pre-construction work is done and it is so substantial that the Center wants to recover costs through the capital bond issue, it can be done and the funds can be returned to the agency budget at the beginning of the project.

Leila reported that the County seems pretty confident that the projected increase in revenue anticipated as a consequence of the coming metro, will hit roughly in that 2012-2015 timeframe and that after the initial year or two of pick-up, there may be a sudden 2-4 year-long double digit increase in revenue. To protect the tax rate, it is extremely valuable to have the bond obligation in place; and, in addition to looking at the total bond obligation, have in place a Board policy that stipulates to some sort of debt service reserve fund separate from other reserve funds. The suggestion was that if the Center goes into the bond referendum process - and prior to the sale of the bonds - have that as a stipulation of the Center's fiscal policy or condition of the bond sale itself, it would in fact reduce the cost of the bonds when they are capitalized.

In response to a question from John, Leila responded that they had considered metro not being a part of the equation, but that is extremely unlikely at this point. Bill B. stated that even if metro does not succeed, there will still be increases in revenues based on commercial and residential building that will take place with the redevelopment of the northern part of Town Centre. Leila stated that the County was glad to hear that the Center was contemplating this because their concern is absent any obligation on the part of the Center, the Center will be exactly where it was roughly in 1987-89 where there were between 23-34 percent increases annually for about a four-year stretch in tax revenue. Leila said that was how RCC Lake Anne was enabled. The issue was how the money could be used and not be looked at as a reason for having to substantially reduce the tax rate. It is the County's opinion that this scenario is the wisest scenario for the Center to pursue which is to structure the debt at the front end so that the initial year or two - FY12-FY13 - have minimal kinds of financing impacts in order to get construction underway and then escalating over the course of the next couple of years and then level off. The County suggested that the Center establish a debt service reserve so that excess revenue over expenses can be sequestered for those years that the building is being built.

There was a brief discussion on what will offset the cost of operating once the doors of the new facility are opened to the public. Leila stated that there will be a big increase in tax revenue receipts and an increase in patron-generated user fee revenue that will offset the cost of doing business in that environment. Bill P. commented that user fees are generally less than operating fee; however, Leila pointed out that there is about an 83 percent subsidy of total RCC costs now, but that there will be a substantially different operating paradigm in the new facility. She explained that the rate of subsidy in the aquatics area for example is lower than it is overall because there is more substantial direct cost recovery and revenue generating activity in that cost center. Similarly, the primary uses in the new facility would have higher revenue returns than current overall RCC programming.

In response to a question from John, Leila responded that the building could be up in four years. She stated that once the design phase is complete, there will be a better picture of what the real capital construction costs will be. Bill P. stated that if the money could be raised in the near term, an interest rate can be locked in. Leila reiterated that the County states that there is no requirement for level financing. Cathy added that there is no need to have a set amount that reduces the principal but there needs to be an amount that covers the interest.

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In response to another question from John, Bill B. stated that inflation has been factored into the equation and was included in the Brailsford & Dunlavey study.

In response to a question from Cathy, Leila stated that a pre-payment cannot be made which is why the recommended vehicle for evening out the financial impact of revenue and debt service payment fluctuations is a reserve. There will be a fixed payment schedule with fixed payments. The size of the payments can be managed but if a point is reached where revenue is in abundance, it would not be wise to cut the tax rate because things will eventually level off in terms of revenue increases over each year.

In response to another question from Cathy, Leila responded that she was unsure of what the County is doing in terms of estimating new revenue in response to metro. She said that the best financial information received was with respect to the next fiscal year. Bill B. commented that the County is probably looking at metro as it affects RCIG and not other economic factors, the redevelopment of the Reston Town Center, the Wiehle Park and Ride or Lake Anne.

In answer to a question from Bill P., Bill B. responded that the projected bond amount excludes land and is just the building capital construction cost.

Bill P. stated that the Center needs to acquire some independent sources of data on how the development of the new facility will occur responsibly so that it can be relayed back to the community to convince them that the project is doable. Bill P. said that he liked the idea of a reserve fund to cover annual obligations. John said that the approach should be to set lower revenue offset expectations so that in the long run we might beat those expectations.

Leila said that the County predicts that the economic turn upward should take place in approximately 2013 timeframe according to their communications with the EDA and other agencies in other jurisdictions. The County also stated that the Center's assessment of the SD5 residential and commercial environment is accurate – that it is in better fiscal health than the rest of the County. Bill P, pointed out that the terms of the reserve amount would be set if they are included in the package offering the bonds and that would not allow us to alter those terms if financial conditions warranted.

In response to a question from Bill P., Leila stated that there will be some sort of minimum threshold payment schedule. Bill B. stated that it would be up to those that are responsible for shopping and selling all of the bonds. Leila added that they will come up with a formula recommendation for the Center. Bill P. stated that the Center needs to come up with a way to inform impressions the public may have as to how much Reston is going to grow.

There was discussion of different funding responses to unanticipated changes in the economic environment.

In response to a comment from Cathy, Bill B. stated that at this point in time, nothing will be known until the position of RA is revealed and once the position of RA is revealed, then that will give some guidelines on what things can begin to take place.

In response to a question from Cathy, Leila stated that the community will not receive any funding for new facilities from the County now, nor within the next two years given its present financial circumstances. She further stated that it is probably not well served to seek a November 2009 referendum item due to the need to gather more information for the Boards' processes and the ground

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that needs to be covered within the community. Also consideration and research has to occur as to the mechanics of an actual referendum vote.

Bill B. stated that the best sign that could possibly be had is the fact that ongoing conversations are taking place with the County and the County has not rejected the proposal. Leila stated that information and project scope figures have been given to the County and to the Hunter Mill District Supervisor. She said that the discussion during the Long Range Planning committee meeting on February 2, should be on what came out of RA's meeting in terms of their board's position and once that is known, then a discussion should take place on how to go about developing a referendum item for Small District 5 voters for a 2010 timeframe.

In response to a question from Cathy, Bill B. responded that all that is required is a simple majority vote to pass the bond referendum.

In response to a question from Bill P., Leila stated that it is not yet known how much it will cost to do the architectural engineering work. Bill B. stated it should cost \$1 million tops and that it will be done before the referendum. Leila agreed that the commitment would have to be made prior to the referendum and that would be a "sunk cost" if the referendum fails. Cathy added that the referendum cannot take place without the A/E work being done.

There was a brief discussion on the timing of the architectural/engineering study and the impact of the study on the public's views on the project.

There was a brief discussion on what the RA's Board meeting discussion may have included in reference to Brailsford and Dunlavey's presentation to them regarding the new facility.

There being no further business, the meeting was adjourned at 7:24 p.m.



<b>Personnel Expenses</b>	<b>Budget FY09</b>	<b>Nov</b>	<b>Dec</b>	<b>ENCUMBR.</b>	<b>YTD</b>	<b>REMAINING BALANCE</b>	<b>% Budget Used Ytd</b>
Administration	486,635	24,455	40,007		154,200	332,435	31.69%
Board OG	5,764				135	5,629	2.34%
Booking	109,897	9,077	14,559		54,491	55,406	49.58%
Comptroller	302,284	19,537	29,630		122,594	179,690	40.56%
Customer Service	359,374	19,266	50,523		114,973	244,401	31.99%
Engineering	91,103	6,984	10,876		41,823	49,280	45.91%
Maintenance	269,473	24,048	20,993		137,175	132,298	50.90%
IT	102,483	7,106	13,731		47,056	55,427	45.92%
Media	160,971	15,044	18,795		82,685	78,286	51.37%
Performing Arts	418,860	20,114	44,846		136,582	282,278	32.61%
Aquatics	638,023	34,131	69,006		228,142	409,881	35.76%
General Programs Admin	96,027	6,136	9,204		37,960	58,067	39.53%
Teens	124,365	7,555	9,061		53,970	70,395	43.40%
Senior	138,576	8,168	10,252		46,781	91,795	33.76%
Youth	160,724	7,815	13,061		58,845	101,879	36.61%
Adult	152,053	12,341	18,560		64,730	87,323	42.57%
Community Events	157,564	12,967	15,401		65,529	92,035	41.59%
Camp Goodtimes	82,041				65,414	16,627	79.73%
Arts Education	247,729	15,915	15,749		130,133	117,596	52.53%
<b>Total Personnel Expenses</b>	<b>\$ 4,103,946</b>	<b>\$ 250,658</b>	<b>\$404,255</b>	<b>\$ -</b>	<b>\$1,643,219</b>	<b>\$ 2,460,727</b>	<b>40.04%</b>

Operational Expenses	Budget FY09	Nov	Dec	ENCUMBR.	YTD	REMAINING BALANCE	% Budget Used Ytd
Administration	389,844	19,965	(19,166)	381,254	422,384	(32,540)	108.35%
Board	38,150	7,737	1,058	0	10,595	27,555	27.77%
Booking	70,347	2,191	268	14,973	24,264	46,084	34.49%
Comptroller	456,501	16,566	20,219	142,417	248,847	207,654	54.51%
Customer Service	4,825				-	4,825	0.00%
Facility Engineer	86,539	3,070	38,172	14,395	58,456	28,084	67.55%
Maintenance	342,966	30,672	27,775	113,452	205,215	137,751	59.84%
IT	176,413	719	3,935	14,595	27,906	148,506	15.82%
Media	293,947	11,632	51,655	33,694	163,479	130,468	55.62%
Performing Arts	351,410	17,853	31,672	79,416	197,440	153,970	56.19%
Aquatics	95,150	5,038	10,822	16,649	45,308	49,842	47.62%
General Programs Admin	5,100		612		837	4,263	16.40%
Teens	128,983	6,520	6,730	24,169	103,655	25,328	80.36%
Senior	99,002	5,874	10,475	17,107	58,246	40,756	58.83%
Youth	42,814	5,118	1,987	8,055	23,788	19,026	55.56%
Adult	134,084	13,837	12,185	72,176	121,607	12,477	90.69%
Community Events	81,818	1,465	382	5,032	65,205	16,613	79.70%
Camp Goodtimes	31,960			0	26,058	5,902	81.53%
Arts Education	100,703	12,978	3,848	13,148	51,653	49,050	51.29%
<b>Total Operational Expenses</b>	<b>\$2,930,555</b>	<b>\$ 161,235</b>	<b>\$ 202,628</b>	<b>\$ 950,533</b>	<b>\$1,854,940</b>	<b>\$ 1,075,614</b>	<b>63.30%</b>

Capital Proj. Expenses	Budget FY09	Nov	Dec	ENCUMBR.	YTD	REMAINING BALANCE	% Budget Used Ytd
HVAC Upgrade 003717.1	\$ 2,593,822	\$ 281,197	\$(275,615)	\$ 221,319	1,463,841	\$ 1,129,981	56.44%
Natorium 003717.2	\$ 1,278,055	\$ 19,246	\$ 9,630	\$ 137,365	976,484	\$ 301,571	76.40%
Theatre Rigging 003717.3	\$ 181,090	\$ 84,616	\$ 2,144	\$ 457	164,574	\$ 16,516	90.88%
Fire Alarm Repl. 003717.8	\$ 203,990		\$ 24,848	\$ 75,075	178,299	\$ 25,691	87.41%
Lockers Repl. 003717.4	\$ -				0	\$ -	0.00%
HW LA Priority 1 003717.5	282,000				0	282,000	0.00%
Moving Lights 003717.6	39,540				0	39,540	
Theatre Dressing Room Renov.	60,000				0	60,000	
<b>Total Capital Expenses</b>	<b>\$ 4,638,497</b>	<b>\$ 385,058</b>	<b>\$(238,994)</b>	<b>\$ 434,216</b>	<b>\$2,783,198</b>	<b>\$ 1,855,299</b>	<b>60.00%</b>

<b>Total RCC Expenditures</b>	<b>\$11,672,998</b>	<b>\$ 796,951</b>	<b>\$ 367,888</b>	<b>\$ 1,384,748</b>	<b>\$6,281,357</b>	<b>\$ 5,391,641</b>	<b>53.81%</b>
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(5,391,640)

\$ 0.65

# FUND STATEMENT

Fund 111, Reston Community  
Center

## Fund Type G10, Special Revenue Funds

	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2009 Actual YTD	FY 2010 Advertised Budget Plan
<b>Beginning Balance</b>	\$7,244,262	\$4,940,060	\$9,266,814	\$5,739,197	\$5,739,197
Revenue:					
Taxes	\$7,057,365	\$7,035,203	\$7,035,203	\$7,154,789	\$7,197,297
Interest	457,402	240,000	240,000	134,237	197,602
Aquatics	228,935	288,000	288,000	82,096	296,125
General Programs	339,776	329,888	334,888	230,858	329,888
Rental	105,136	75,000	75,000	50,494	75,000
Arts and Events	212,805	177,290	172,290	180,125	183,690
Theatre Box Office	0	0	0	0	0
Lake Anne	0	0	0	0	0
<b>Total Revenue</b>	\$8,401,419	\$8,145,381	\$8,145,381	\$7,832,599	\$8,279,602
<b>Total Available</b>	\$15,645,681	\$13,085,441	\$17,412,195	\$13,571,796	\$14,018,799
Expenditures:					
Personnel Services	\$3,388,317	\$4,103,946	\$4,103,946	\$1,643,219	\$4,277,415
Operating Expenses	2,179,424	2,902,157	2,930,555	1,854,940	2,897,699
Capital Equipment	0	0	0	0	0
<b>Subtotal</b>	\$5,567,741	\$7,006,103	\$7,034,501	\$3,498,159	\$7,175,114
Capital Projects	811,126	1,895,490	4,638,497	2,783,198	\$85,000
<b>Total Expenditures</b>	\$6,378,867	\$8,901,593	\$11,672,998	\$6,281,357	\$7,260,114
<b>Total Disbursements</b>	\$6,378,867	\$8,901,593	\$11,672,998	\$6,281,357	\$7,260,114
<b>Ending Balance<sup>1</sup></b>	\$9,266,814	\$4,183,848	\$5,739,197	\$7,290,439	\$6,758,685
Maintenance Reserve	\$930,386	\$977,446	\$977,446	\$977,446	\$993,552
Feasibility Study Reserve	155,064	162,908	162,908	162,908	\$165,592
Capital Project Reserve <sup>2</sup>	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Unreserved Balance</b>	\$7,181,364	\$2,043,494	\$3,598,844	\$5,150,086	\$4,599,541
<b>Tax Rate per \$100 of Assessed Value</b>	\$0.047	\$0.047	\$0.047	\$0.047	\$0.047

1 The fund balance in Fund 111, Reston Community Center, is maintained at adequate levels relative to projected personnel and operating requirements. Available fund balance is divided into three reserve accounts designated to provide funds for unforeseen catastrophic facility repairs, feasibility studies for future programming and funds for future capital projects.

2 Funds reserved for capital projects are not encumbered based on normal accounting practices; however, they are allocated for future capital projects.



**DATE:** January 29, 2009  
**TO:** RCC Board of Governors Finance Committee  
**FROM:** Leila Gordon, Executive Director  
**RE:** Bond Referendum and Capital Timeline and Financing Information  
Internal Discussion Document

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From discussion with the Fairfax County Government Debt Manager's office, we have determined the following scenario may represent the best process for the most fiscally prudent course forward assuming the RCC shoulders the entire capital project expense and bonding and debt service costs.

#### **Bond Referendum in November 2010**

Mary Casciotti (Assistant County Debt Manager) recommends we consider using existing funds in our operating and/or reserve allocations to underwrite the preliminary engineering, site and then design/build layers of the project in a timeframe that provides us with refined costs for the capital construction and build-out by late 2009. We could plan to reimburse ourselves for these initial design costs through the bond issue. That is when we would be providing the County Executive and DMB with those parameters for the CIP and FY11 budget presentations (typically occurring December through January) to the Board of Supervisors.

Additional input from County Attorney Mike Long also supports a longer timeframe to resolve the extra steps that a bond referendum exclusive to small district 5 voters (which splits/overlaps various precinct lines) should be conducted.

Once the bond referendum is approved by the voters, the next step would be the actual bonds sale in February 2011 (County sales occur typically in January following the election, and our sale would need to occur at least 15 days after the County general fund bond sales).

Construction then could begin in early spring of 2011.

#### **Financing**

Mary also confirmed that we can attempt to structure the debt service to increase in the out years. The preliminary figures we have reviewed for full financing of an estimated \$ 54M project showed a level debt service payment annually of between \$ 4.4 and \$ 4.7M (depending on the interest rate). One of the next steps in the process is to develop a financial plan which will analyze how to align different levels/types of debt payments versus the revenue resources we expect in later years. Furthermore, we can improve our bond rating and interest rate by identifying up front our intent to "set-aside" funds in reserves for debt service. In other words, we can plan for the years we know are down the road when we cycle back into high tax revenue receipts and sequester excess funds for the inevitable stabilizing of the economy or even anticipated downturns, thus protecting our tax rate from scrutiny during years of robust or higher than anticipated revenue growth. These decisions will, in part, determine the credit rating we are able to attain on our bonds and the interest rate that we will pay.



## Executive Director Report for January 2009

### Programs

Please see the attached reports on RCC's lines of business (Arts and Events, General Programs, Aquatics) mid year status of their performance indicators. In total they present both a clear picture of the continuing high degree of participation in RCC programs coupled with evidence of the success of the effort to support patrons through the period of Hunters Woods being closed. (RCC On the Road.)

In addition to what you can read in the reports from departments, I am also very pleased with the enormous success of the 2009 Dr. Martin Luther King, Jr. Celebrations, as well as many of the very successful current program offerings across all cost centers. Registration for winter and spring offerings also shows robust participation in each cost center's offerings and clear signals that public desire for our aquatics programming was not "dampened" by being closed for the period of our renovations.

I also want to thank the program staff, from their department heads to the instructors, for both their efforts to bring high quality and innovative program ideas and efforts to our patrons, and for their administrative skill in tracking all their activities and the related performance measures.

### Operations

In the area of Facility Rentals, as you can see, we are performing quite well given the length of time we were closed at Hunters Woods. In addition to that, information is provided on various capital projects' status and a number of our administrative balanced scorecard efforts.

Additionally, we have developed a "winter inclement weather procedures" update that we hope will give us the greatest degree of flexibility in responding to winter weather scenarios, preserve our rental clients' events whenever possible, and also be mindful of the safety of our employees. The updated procedures are now posted on our web site. In addition our Media Communications Director and the County Emergency management team have coordinated the messaging that will be going out on the Emergency Alert Network going forward. Watch for it coming to a winter weather event near you!

In our other operational areas, the Finance and Human Resources team continues to provide support to the County's efforts to modernize their software systems. This will have an impact on our vendor relationships and increase the administrative challenges of getting time and attendance right each pay period for what can sometimes be over 200 employees with varying schedules.

### Executive Director Outreach

**Meetings/Events:** December: The Americans for the Arts Knowledge Exchange, IPAR launch of the Public Art Master Plan, Staff Team Building event, Joint Task Force meeting. January: Retreat with Board and management staff; final year attending the Association of Performing Arts Presenters annual conference.