



# RESTON COMMUNITY CENTER



## SUMMARY OF MINUTES RESTON COMMUNITY CENTER BOARD OF GOVERNORS' MEETING SEPTEMBER 17, 2007

### **Present:**

- Bill Bouie, Chair
- Bill Penniman, Treasurer
- Colin Mills
- ⊙ Roger Lowen, Vice Chair
- ⊙ Carol Ann Bradley
- ⊙ Cathy Vivona
- ⊙ Karen Cleveland, Secretary
- ⊙ Beverly Cosham

### **Absent:**

None.

### **Staff:**

- ⊙ Bonnie K. Freeman, Executive Director

### **Visitors:**

None.

The Chair called the meeting to order at 8:01 p.m.

### **Approval of the Agenda:**

Bill Bouie, Chair

### **MOTION #1:**

Beverly Cosham moved that the Board approve the Agenda. Cathy Vivona seconded the motion. The motion was unanimous.

### **Approval of the July 2, 2007 Board Minutes:**

Bill Bouie, Chair

### **MOTION #2:**

Colin Mills moved that the Board approve the July 2, 2007 Board Minutes. Bill Penniman seconded the motion. The motion passed. Beverly Cosham abstained.

### **Approval of the July 2, 2007 Board Actions:**

Bill Bouie, Chair

### **MOTION #3:**

Cathy Vivona moved that the Board approve the July 2, 2007 Board Actions. Colin Mills seconded the motion. The motion passed. Beverly Cosham abstained.

### **Approval of the June 18, 2007 Public Hearing Transcript:**

Bill Bouie, Chair

## **September 17, 2007 Board Minutes cont'd**

### **MOTION #4:**

Colin Mills moved that the Board approve the June 18, 2007 Public Hearing Transcript. Carol Ann Bradley seconded the motion. The motion passed. Beverly Cosham and Bill Penniman abstained.

### **Chair's Remarks:**

Bill Bouie, Chair

The Chair commented on the excellent dedication ceremony of the Terry L. Smith Aquatics Center on August 10, noting that Terry had watched the DVD of the ceremony and was pleased to be bestowed with such a high honor. The Chair said that Terry had discussed with him his visions and plans for the Center. He also stated that he hopes to fulfill many of Terry's wishes.

Terry's funeral was held on September 15 at St. Anne's Episcopal Church and a catered celebration of Terry's life was subsequently held at RCC Hunters Woods. Over 200 people attended the reception, which showed how great of an impact Terry had made on the community. He will be sorely missed. Without objection, the Chair asked that Terry's place at the table remain until the seating of the new RCC Board in November.

Roger commended the Chair and the Executive Director for organizing a wonderful ceremony and reception in honor of Terry, noting that his wife and family were appreciative of their efforts.

Bill P. complimented staff on producing an exceptional presentation honoring Terry. The Chair agreed and said staff, especially the Executive Director, had performed an outstanding job organizing the reception. The executive director specifically thanked Cindy Fortuno, Media Specialist, and BeBe Nguyen, Director of Communications, for their efforts, noting that they made sure Terry's family was included in the planning. She also thanked Terry's family for providing phenomenal photographs that captured the spirit of Terry and his paternal role. The Chair commented on the tremendous show of community support at the memorial service and reception and by RCC Board members through their constant communications and visits to Terry. He said Terry had taught the Board a tremendous amount about the kind of person he was and his dedication to the Board and Center. The Chair noted that Terry would always be remembered as a part of the RCC team and the Center.

The Chair also congratulated RCC staff for a tremendous job organizing the seventh annual Reston Multicultural Festival on September 8 at Lake Anne Plaza and said that it had been a huge success. He noted that he had received numerous positive comments, especially regarding the changes that created a more participatory event.

### **Introduction of Visitors:**

Bill Bouie, Chair. The Chair noted the absence of visitors.

### **Citizen Input:**

Bill Bouie, Chair. None.

### **Board Members' Input on Activities Attended:**

Bill Bouie, Chair

Colin attended several Take-a-Break concerts at the Lake Anne Village Center, the Multicultural Festival, and the reception to honor Terry. Carol continued taking Tai Chi and Kundalini Yoga classes. She attended the Terry L. Smith Aquatics Center dedication ceremony and the reception for Terry. Carol also participated in the Senior Social with the Reston Association at the Hunters Woods center on September 12. Beverly sang at the Multicultural Festival and attended the dedication ceremony and the funeral service for Terry. Beverly saw the art exhibit at the Jo Ann Rose Gallery at Lake Anne. Karen

## **September 17, 2007 Board Minutes cont'd**

also viewed the art exhibit at the Jo Ann Rose Gallery and attended the dedication ceremony and reception for Terry. Roger attended the dedication ceremony and services for Terry. He swam in the pool. Bill P. attended the dedication ceremony, the reception for Terry, and the Multicultural Festival. He signed up for performances of this Professional Touring Artists season. Bill P. continued taking a sculpture class and saw the art exhibit at the Jo Ann Rose Gallery. The Chair encouraged RCC Board members to sign up to receive their two complimentary tickets for any of the Professional Touring Artist performances. He reported that since the Small District 5 pre-sale began on September 16, CenterStage had sold over 30 percent of capacity. Cathy regularly plays bridge at the Center. She also attended the dedication ceremony and memorial service for Terry. Beverly announced that she would perform in concert *I Wish You Love* at CenterStage on November 8.

### **Committee Reports**

Bill Bouie, Chair

#### **Finance Committee (August 6, 2007 and August 20, 2007)**

Bill Penniman, Chair. The reports were summarized and submitted for the record. Please see attached reports.

Roger clarified that most of the capital projects listed under the different priority categories were pending review. Bill P. indicated that certain projects had already been approved by the RCC Board, such as the HVAC system renovation, fire alarm replacement, theatre rigging replacement, and dressing room renovation, but many others were listed as under review and, therefore, subject to committee review and approval.

Bill P. identified two errors in the August 6, 2007 Finance Committee Report. Under the "Staff Review of Current Finances" heading on the bottom of page 3, "total tax revenue" should be changed to read "total revenue." Under the first paragraph on page 1, "September 10" should be changed to "September 17" to reflect the revised RCC Board date.

In response to a question from Colin, Bill P. said a dollar amount had not been allocated for the dressing room renovation because it was part of the theatre rigging project. The executive director added that this project was not part of the FY2009 budget since it had been approved in a prior year.

The Chair commended the Finance Committee for their excellent work in collaborating with staff to understand the budget development process, the linking of RCC's Capital Improvement Plan with future budget submissions, and the presentation of projects to the Board and various committees for approval prior to being incorporated in the budget.

#### **MOTION #5:**

Roger Lowen moved that the RCC Board forward the Draft FY2009 RCC Budget to the Fairfax County Board of Supervisors. Carol Ann Bradley and Bill Penniman seconded the motion. The motion was unanimous.

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

Bill Bouie, Chair

#### **MOTION #6:**

Cathy Vivona moved that the Board approve the amended Committee reports. Colin Mills seconded the motion. The motion passed unanimously.

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

Bonnie K. Freeman, Executive Director. The report was summarized and submitted for the record. Please see attached report.

## **September 17, 2007 Board Minutes cont'd**

The Chair reported that Leila Gordon, Performing and Fine Arts/Community Events (PAFA/CE) Director, had presented at the 7th Annual Metropolitan DC Dance Awards at the John F. Kennedy Center for the Performing Arts on September 10. The Chair said that he, Beverly, Carol, and the Executive Director had attended the event to show their support.

The executive director briefly discussed the initiative for public art in Reston project that RCC had been participating in over the last several months. Joe Ritchey has assembled a number of Reston leaders to discuss how to define the roles of all the various forms of art in public spaces throughout Reston. Currently, the project was in the development stage and the bylaws and memorandum of understanding for the new arts council would soon be distributed. RCC has been functioning in an advisory capacity, consisting of the Board Chair, the Executive Director, and the PAFA/CE Director. Other organizations represented on the council included: the Reston Association, the Greater Reston Chamber of Commerce, Hunter Mill District Supervisor Catherine Hudgins' Office, Greater Reston Arts Center, League of Reston Artists, the Reston Town Center Association, and the Arts Council of Fairfax County. The council had identified a bank to house the funds for this project and was developing a Request for Proposal to hire a consultant to formulate a business plan, which was expected to be finalized in January 2008. Joe Ritchey had made the first public announcement on this project at the Wolf Trap Anniversary Gala for Arts and Education at the Lower Meadow of Wolf Trap National Park for the Performing Arts on Saturday. The executive director said all the participants were committed to producing a phenomenal plan in hopes that it would be used as a model for other cities within the region.

The Chair explained that the new arts council would make decisions as to the appropriateness of different forms of public art and their placement, quantity, and funding sources. A total initial contribution of \$100,000 had been made from several organizations to fund this project, including \$17,000 from the Friends of the Reston Community Center.

### **Old Business:**

Bill Bouie, Chair.

The Chair commended BeBe Nguyen, Director of Communications, for her phenomenal work in marketing the Center, arranging interviews and teleconferences, and providing him with an extensive list of public relations contacts.

Responding to a question from Cathy, the executive director said the questions for the RCC Citizen Survey were currently being drafted and would soon be submitted to the Community Relations Committee for review. The deputy director has been in regular contact with Robin Bebel, Assistant Director of the University of Virginia Center for Survey Research (CSR), who assured him that they were on target. Cathy requested that the executive director send an update and timeline to the Community Relations Committee members.

The Chair noted that Cathy, the Executive Director, and the Deputy Director had performed significant work on the survey over the summer. The Executive Director requested a proposal from George Mason University's (GMU) survey research department and compared it with CSR. The comparison validated that CSR was the best choice based on its past history with RCC and quality of analysis and reporting on the survey. The executive director said that GMU's final report, presentation, content, and usability of the data was nowhere near as sophisticated and comprehensive as CSR and therefore, justified the disparity in the expense. RCC was negotiating the Finance and Administration charge with CSR and anticipated having it removed from the final cost although it had not yet been confirmed.

### **New Business:**

Bill Bouie, Chair.

## September 17, 2007 Board Minutes cont'd

Roger announced that the Building Committee was scheduled to meet at 7:00 p.m. on September 24. The Committee planned to discuss findings under the pool concerning subsoil and lighting.

Roger proposed that the RCC Board extend an invitation to Jim Allred to speak at the November 5th meeting to describe his role in establishing RCC and provide useful information to members of the Board, viewing audience, and press about the constitution of RCC. The Chair said he would arrange a meeting with Jim to determine if it would be more appropriate for him to speak at the New Board Orientation or the new Board's first meeting and he would make a recommendation at the October 1st Board meeting.

Cathy noted that the plaques in the Hunters Woods center lobby needed to be updated. She suggested that Dorothy Bredeson, who had passed away several months ago, receive a plaque or some other form of public recognition for her volunteerism and commitment to RCC. Cathy said that she would discuss this idea with the Friends of the Reston Community Center. The Chair described Dorothy as the "queen of Saturday Coffee" at the Hunters Woods center.

Bill P. presented an idea of flu and shingle vaccines being offered at the Center if it was legally permissible, noting that it would be a great benefit to the community. The Chair said that this was a great idea and RCC would probably need to coordinate this with the Fairfax County Health Department or area hospitals. Cathy noted that the Community Relations Committee would further discuss this proposal. The Chair suggested that children immunizations required for school admissions also be offered.

In response to a question from Bill P., the executive director indicated that the RCC Aquatics department had participated at the children's healthy day event sponsored by Oracle and Provant Health where the aquatics director had spoken about water safety tips and staff distributed RCC coasters and pens to heighten the Center's visibility in the community. The event supported the awareness of organizations that provided health services to children.

The Chair announced the three candidates for three open seats on the RCC Board: Beverly Cosham, current Board member; Bill Keefe, current At-Large Representative on the Reston Association Board of Directors; and Claudine Varesi, an RCC instructor who was heavily involved in youth theatre, dance, and English as a Second Language programs at the Center.

The executive director indicated that the candidate forum scheduled for September 18 had been cancelled due to scheduling conflicts with the candidates. **Note:** The candidate forum was rescheduled to September 25 at 7:30 p.m. at the Lake Anne center. The walk-in and mail-in balloting would commence on September 24, as planned.

### **MOTION #7:**

Beverly Cosham moved that the meeting be adjourned. Colin Mills seconded the motion. The motion was unanimous.

The meeting adjourned at 9:15 p.m.

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Karen Cleveland, Board Secretary

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Date

**RESTON COMMUNITY CENTER  
BOARD ACTIONS  
TAKEN AT BOARD OF GOVERNORS' MEETING ON SEPTEMBER 17, 2007**

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|-------------------|-----------|---|
| <b>07-09-17-1</b> | <b>Bd</b> | <b>That the Board approve the Agenda.</b>   |
| <b>07-09-17-2</b> | <b>Bd</b> | <b>That the Board approve the July 2, 2007 Board Minutes.</b>   |
| <b>07-09-17-3</b> | <b>Bd</b> | <b>That the Board approve the July 2, 2007 Board Actions.</b>   |
| <b>07-09-17-4</b> | <b>Bd</b> | <b>That the Board approve the June 18, 2007 Public Hearing Transcript.</b>                            |
| <b>07-09-17-5</b> | <b>Bd</b> | <b>That the Board forward the Draft FY2009 RCC Budget to the Fairfax County Board of Supervisors.</b> |
| <b>07-09-17-6</b> | <b>Bd</b> | <b>That the Board approve the amended Committee reports.</b>  |
| <b>07-09-17-7</b> | <b>Bd</b> | <b>That the meeting be adjourned.</b>   |

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Karen Cleveland, Board Secretary

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Date



**RESTON COMMUNITY CENTER  
BOARD OF GOVERNORS  
PUBLIC HEARING**

**MONDAY, JUNE 18, 2007**

**BOARD MEMBERS PRESENT:** Bill Bouie, Chair  
Roger Lowen, Vice Chair  
Bill Penniman, Treasurer  
Carol Ann Bradley  
Colin Mills  
Cathy Vivona

**ABSENT:** Karen Cleveland, Secretary  
Beverly Cosham  
Terry Smith

**STAFF PRESENT:** Bonnie K. Freeman, RCC Executive Director  
Thomas Ward, RCC Deputy Director  
Renata Wojcicki, Finance Director  
BeBe Nguyen, Director of Communications  
Leila Gordon, Performing and Fine Arts/Community Events Director  
Eileen Boone, General Programs Director  
Shawna Hughes, Senior Adult Program Director  
Cheri Danaher, Arts Education Director  
Linda Ifert, Technical Director

# PROCEEDINGS

**BILL BOUIE:** Good evening. Welcome to the efficiently cooled Reston Community Center. Before we get started tonight, I want to introduce my cohorts on the Board of Governors and then I'm going to introduce Bonnie and let her introduce the staff that is here tonight. But, we are certainly happy that you all have taken the time to attend our meeting tonight rather than the hearing on the rail at the Government Center, so that's the reason for our big crowd.

But, starting on my far right, we have Cathy Vivona, Bill Penniman, Colin Mills, Carol Ann Bradley, our Vice Chair is Mr. Roger Lowen and missing tonight and excused are Karen Cleveland and Terry Smith and Bev Cosham, but they are also a part of our Board. So, I'm going to turn it over to Bonnie and she can introduce all of the staff. Bonnie Freeman, our director.

**BONNIE K. FREEMAN:** Thank you, Bill. I just want to take this opportunity to introduce those folks who are on the front lines day in and day out and who worked so diligently along with me and the rest of the Board to put together this year's budget and Capital Improvement Plan presentation for you. I'd first like to introduce Deputy Director Tom Ward and in the back, Director of Finance is Renata Wojcicki. And in charge of our Senior programming is Shawna Molina. Director of Programs, the General Programs Division, that particular line of business, is Eileen Boone. And Cheri Danaher is director of our Arts Education programs here at Lake Anne and Hunters Woods. Leila Gordon, who is the director of Performing and Fine Arts and Community Events. And last but not least, actually I have one more, I'm sorry, there's Linda Ifert, who is our Technical Director here at RCC. And last but not least, who will be our timer this evening is BeBe Nguyen and she is our newest member of the staff and she is the Director of Communications. So without further ado, I'm going to turn it back over to our able

Chairman, Mr. Bill Bouie, and we'll get started with the presentation. Thank you so much for coming out.

**BILL BOUIE:** Okay. We're very excited about presenting tonight. This has been a long time coming. It's something that we've been talking about for as long as I've been on the Board. And, thanks to our great resources on our staff and on our Board of Governors, we've been able to put together a pretty comprehensive, initial Capital Improvement Plan for us to bring to you, the public, tonight for your input. And so without further ado, we will get going.

Next one. Next one. Okay. The current draft of our Fiscal Year '09 Budget does not reflect the budget guidelines of the County's Department of Management and Budget, which are typically prepared and distributed to the County agencies in July. At that time, the Board will direct the staff on accomplishing their goals within the framework required by the County's procedures for budget preparation. The Board then reviews and approves the final budget proposal for the agency prior to its September submission to the Department of Management and Budget. The figures on this slide are estimates based on our facilities and operational needs, in addition to some program modifications recommended by the Board of Governors and staff. It reflects a conservative approach to estimating the revenues we anticipate from taxes and interest and no change in anticipated revenues from programs. This also allows for the change in Small District 5 boundaries that occurred last year, as well as the lowered tax rate. The program modifications we look to make will not have a significant impact on the budget since we are essentially operating at the maximum programming level that our space allows. We continue to seek added space to locate programs that have lengthy waiting lists. Our ideas for a Capital Improvement Program reflect this growing challenge.

You may know that RCC has been without a Capital Improvement Plan for the last several years and we are pleased to present our recommendations to you this evening for both a short-term and a long-range Capital Improvement Plan (CIP). A CIP allows the Reston Community Center to look at the community needs it is meant to fulfill and to determine what large equipment systems and/or building features need to be replaced, maintained, and/or enhanced. Additionally, if in working with the community on the needs of Small District 5 participants for recreational and cultural opportunities, together we determine that new building facilities would serve our interests; those are established for the future in the agency's Capital Improvement Plan. Once we have adopted a Capital Improvement Plan, Small District 5 taxpayers will have a roadmap to follow for big-ticket capital improvements and/or building projects we will undertake during a five-year period.

Like our Strategic Plan, our Capital Improvement Plan will inform and guide future budget development inline with what you, the community, determine you want from our Community Center. And like our Strategic Plan, it can be modified as conditions warrant, as well as reexamined if there are changes in the environment we did not anticipate in establishing it. In developing these ideas, we reviewed the programs currently offered and the space/time for them at RCC facilities, the expressed desires of our current users and patrons, and the long-term outlook for RCC facilities. We kept in mind our Strategic Plan, our mission statement, our values, and our visions for the RCC's role in Reston in the coming years.

The CIP components presented tonight are broken down into different categories. The first category covers capital improvements, which entail renovation and/or enhancement of existing facilities which are currently underway and planned for FY08 and beyond. The next category addresses specific capital projects that we believe will further enhance our current facilities and programs. And, finally we

choose to dream big and recommend for discussion new construction projects that will expand our capabilities and footprint in other areas of the Tax District, specifically North Reston. Again, this is a starting point for the community discussion of those items that represent building projects, renovations, and the like.

I would also like to mention that we prioritized the CIP components by order of importance. The list is ranked by Priority I, which spans a period of one to five years. To better explain what we are proposing, we have listed the projects individually and the status of each project under Priority I. Priority II also falls within a one-to-five-year timeframe, but is secondary in importance, and Priority III involves long-range plans that extend beyond the five years. It is important to note that while we are discussing timeframes of one-to-five and six-to-ten years, it does not mean that each idea you will see presented will take that long to complete. Much of what you see, in particular on the Priority I slides, will be done during the next fiscal year and will be completed within it. Other projects may take longer, such as a new building, or may be deferred or eliminated once we complete the process of gathering input and determining feasibility.

So, with that, let's get started. As I previously mentioned, we included system improvements and replacement of equipment planned in FY08 and FY09 in this presentation. As you can see from this list, these projects truly enhance the operations of the building and will improve how each line of business performs its specialized function. Under the HVAC replacement heading, those items are best accomplished while that project occurs and can be done more cost effectively that way. The HVAC replacement project will necessitate a great deal of construction and so these items are planned for simultaneous building or installation. The CenterStage dressing rooms are already budgeted for renovation to comply with ADA standards and update them. They are original to the building as they were

originally built 30 years ago. That project will be completed in the summer of 2008, as will the upgrade to the Theatre rigging system. Similarly, we believe it makes sense to improve the pool systems and environment to coincide with the timeframe of the HVAC replacement project as much as possible. These enhancements to the current plans for Hunters Woods are estimated to cost \$1,615,950 and require Board approval to be included in the FY09 Budget. We are just now completing the FY07 Budget. We will start our FY08 Budget July 1 and FY09 will be July 1 of 2008, so we're kind of ahead of the curb a little bit here for a little further explanation. So, it is real long-term planning. We're kind of in a two-year planning cycle moving forward as far as approvals are concerned.

We also include in our FY08 and FY09 Priority number I list, replacing the front doors at Lake Anne with automatic doors that are ADA compliant and redesigning the front desk there so it also complies with ADA standards and is ergonomically appropriate to our current customer service functions over there. This will require RCC Board of Governors' approval as well. And these - - all of these are taken up in various committees within the Board of Governors who vet the entire project before taking it to the Finance Committee to look at financing options and before it's brought to the entire Board for approval.

To install the doors at Lake Anne and redesign the desk, we anticipate a cost of \$15,000. Combined, this phase of the CIP is estimated to cost \$1.63 million beyond what is currently budgeted. If the Board approves these, they can be funded in the FY09 Budget.

Priority II projects are of two types. One involves building maintenance related issues and the other is enhancement of our Community Room environment to support more events more appropriately with better acoustics, lighting, and sound amplification options. Along with the Community Room enhancements in Hunters

Woods, as you can see, the skylights will need to be replaced and our loading dock requires attention to make it more ADA compatible and provide better loading capability for deliveries. The estimated cost of Priority II projects at Hunters Woods is \$229,000. You may ask yourself, why does the loading dock have to be ADA compliant? Well, a number of our patrons that would fall under the ADA Act itself actually do come in via the loading dock and so, we thought that it was very feasible that we make that entrance ADA compliant as well, and that's the explanation behind that.

At RCC Lake Anne, the facility maintenance system issue we feel is in most need of attention is the building's HVAC function and its storefront requires replacement. The current wood is not going to hold up much longer and so, we will be looking to do that in the very near future and as you are all aware, there's a lot of conversation going on around Lake Anne renovations with all of the tenants over there. So, we will continue that discussion going forward. If approved by the Board, the estimated cost to complete Priority II projects at Lake Anne is \$606,000.

The combined Priority II Budget total, Hunters Woods and Lake Anne projects, is \$835,000, pending the Board approval of these items and their conclusion in the FY09 Budget. Funds are available for these projects.

Moving forward in time to the six-to-ten year timeframe, we bring your attention to other capital improvements and/or equipment systems that will require evaluation for replacement. These include the items that you see listed here. Keep in mind, developing the CIP is the best way to capture the lifespan of major components of our buildings and the systems with a schedule for their maintenance and/or replacement. This is something that we should have done and we will be doing on an ongoing forward basis. If the systems fail earlier than we anticipate, we have

the reserve designed to address that kind of situation. If they outperform expectations, having the CIP does not mean the funds have to be expended, it means we have the ability to defer the expenditure to a more appropriate fiscal year should conditions warrant such effect. Without the CIP, there is no way to give the community an out year's picture of what to anticipate in the way of large repairs, replacement, and/or renovation projects. And we always budget - - each year we always budget for the most catastrophic thing that could potentially happen to this building. And in the case of this building, that would be if we lost the entire roof. And so, we always have contingency in place that if we did lose the roof, we would be able to replace it even though we are a self-insured organization of the County.

Continuing with the schedule, given their warranties and/or lifespan expectations, the emergency generator; the Dectron ERU, which is the Energy Recovery Unit; and the pool's UV filters will also need to be evaluated for replacement. We recommend repaving the rear parking lot and expanding the current cage around mechanical equipment. For all of these six-to-ten year capital issues, we would pursue the Board of Supervisors' County-wide mandate to seek to incorporate eco-friendly, "green" building processes and materials to the extent possible. Studies would be conducted to assure that this is coordinated and in compliance with the LEED Green Building Rating System™, which is the nationally accepted benchmark for the design, construction, and operation of high-performance "green" buildings, or some similar set of standards that are fully accepted across the board. We would look at innovative ways to manage utility costs, such as using solar panels or similar technology, to capture savings in both our carbon footprint and our expenditures related to power utilization.

We turn your attention now to capital projects involving renovations and/or building enhancements driven by programming issues. RCC Board and staff conduct

research and solicit public input each year to determine program priorities for the upcoming fiscal year's budget preparation process. We know that the current program offerings in several areas are not meeting demand as evident by increasing wait lists and customer frustration. In FY07, which we are currently ending, the General Programs department offered a total of 129 fitness classes. The Arts Education department offered 27 youth dance classes. A total of 255 patrons were waitlisted in the General Programs area, and 84 patrons were waitlisted in the Arts Education classes. In total, 339 patrons were waitlisted in FY07, and we need to find a way to shrink or eliminate that altogether. For addressing this program priority, we propose two capital project areas: We would redesign space in RCC Lake Anne to expand the ceramics studio, art classroom, and locate a crafts studio there to house stained glass, sculpture, and our photography program. The Gallery and kitchen at Lake Anne would remain part of our rental inventory and would also house programming.

At the same time, we seek additional leased space in the Hunters Woods Village Center to support fitness and well-being programs such as these listed, as well as added Arts Education classes in dance that require the same type of physical space to provide. Neither project could be undertaken until more research is done and we constantly seek low cost alternatives to leasing new space, such as partnering with the Southgate Community Center, to offer programming suitable to the missions of both the RCC and the Southgate Community Center. Another factor to take into consideration before embarking on significant modifications to the RCC Lake Anne is the outcome of the current discussions on revitalization of the Lake Anne Village Center and what, if any, impact that might have on our building there.

In addition to added space and facility options from leasing, we suggest investigating the potential for redesigning the pool overlook area to allow for a

continuation of a single level, first floor space with some allowance, as well for a pool observation and access to the storage area under the GP offices. Along with added public space, we would look at locating a revenue-generating coffee kiosk there to enhance our walk-in and casual patron experiences. And, this is something that staff and the Board alike is very excited about the possibility of.

To provide better flow and access to the RCC Hunters Woods building, the entrance to our building could be enhanced to reposition our ADA door and determine if the Box Office can be relocated to be a more integral part of the Theatre Lobby. We could seek architectural plans that follow the existing overhang line of the building and incorporate those features. This would be responsive to customer and rental client desires for a more spacious Theatre Lobby and one that is not subject to sudden temperature fluctuations from the current sliding door for ADA access we now have.

We have property external to our current RCC Hunters Woods building we propose to utilize for storage and workspace that would enhance our operational capabilities. This use would not increase our capacity for public programming, nor would it house increased numbers of staff, so it should not represent the zoning/parking challenges that added programmable space would certainly represent to us - - certainly present to us.

Our user data indicates that our most pressing need is finding new space for fitness and dance offerings, followed by adding more public space to the rear of the building at the pool overlook, reconfiguration of our front Lobby, renovation of the Lake Anne classroom complement, and building stage/workspace, in that order. These projects require much more research and public input to determine whether or not the Board would proceed with including them in the CIP.

A long-range Capital Improvement Plan for the RCC has to account for the community needs beyond what we can offer within our existing inventory of facilities. Our own surveys, as well as the surveys of the Reston Association's PROS report offer significant cause to believe that Reston desires an indoor recreational facility that can accommodate state-of-the-art aquatics programs and features. This would include a dedicated competitive pool, adapted aquatics, and recreational offerings. This facility would also be appropriate to house a land-based, fitness-oriented complement of spaces to support individual and class users. The ideal location of such a complex would be in North Reston. We envision seeking community partners, such as the Reston Association, the Fairfax County Park Authority, other community-based organizations, as well as Fairfax County Government agencies.

Another frequently described need of our community is added performing space for our expanding local performing arts organizations' needs. A cultural and performing arts complex would house a performing venue suitable for large-sized groups, such as the Reston Chorale, the Reston Community Orchestra, the Reston Conservatory Ballet, Ravel Dance Studio, Reston Institute for the Arts, Voce, large musical productions of the Reston Community Players, and in addition, the many public and private school-based performing ensembles of young people in Small District 5.

Now that you've heard our ideas for the short term, as well as our outlooks for the future, where do we go from here in pursuing these long-range needs? The development of the Capital Improvement Plan requires considerable research and community input. First steps involved in that are soliciting community input, beginning tonight. For the purposes of determining which of the significant building projects to undertake and in what particular order, we will listen to you, as well as seek information from our community survey that will take place in the fall.

The survey is done every other year, or as needed, to provide the Board of Governors with a statistically and demographically valid sample of the Small District 5 residents and their opinions about RCC facilities and programs. And, if you would like to take a look at the last survey that was done, a copy of that - -we can either make a copy of that available to you or it's a copy available on the website for download. But, it's very interesting the examples that you would see in that, especially the recognition factor of the people in Reston and how they relate to their Community Center. I don't want to quote a specific number, but it is in the high 90s, above 95 percent in terms of recognition of our programs. Our information will be gathered by staff research and by working with other Reston organizations. Maintenance and equipment replacement items will be evaluated and scheduled in the CIP by the Board of Governors' review and approval in the coming weeks, if appropriate for inclusion in the FY09 Budget. Staff will continue to obtain refined cost estimates and other County agencies, as needed, will assist us in the process to move forward with issues we discussed in our Priority I list of items. Once we have done all of the above, we will review and publish the results. In addition at that point, we will determine the financial feasibility of what we have come up with, as well as the suitability of those. When all of this is said and done, we will have a Capital Improvement Plan that works for our Community Center's needs and gives the RCC a blueprint to meet them.

So, as you can see, there's an awful lot of work that's been done in the past year and we are very, very proud of the work that's been done, but it's only beginning. And so, we certainly solicit your input tonight as we continue to move this document forward, given us your ideas, and it will be a document - - it will be a living document. It will be a document that changes and we are certainly excited about those possibilities. So without further ado, I would ask that anyone who would like to come up and make general comments, I think you're allowed three minutes to make your comments.

**BONNIE K. FREEMAN:** No, organizations. Two minutes for individuals. Three minutes for organizations. Two minutes for individuals. And, BeBe will time you when you reach the 30-second mark, she will hold up a sign indicating that you've reached 30 seconds, you have 30 seconds remaining to complete your statement. And at the conclusion of the two-or-three minute period, she will call time, and we do appreciate if you stick to the time that you've been allotted. I show that we have a total of four names registered to speak and I'll take them in the order in which they registered.

**LLOYD KINZER:** Can we ask questions?

**BONNIE K. FREEMAN:** You certainly may. Do you want to do that after we've heard comments or do you want to - -?

**BILL BOUIE:** Let's do that after the comments.

**BONNIE K. FREEMAN:** Okay. So, our first speaker is - - and please forgive me if I butcher your name - - Richard Takamatsu. Please come forward, state your name and address, and the organization that you're representing. Thank you for joining us this evening.

**LINDA IFERT:** Check, check.

**RICHARD TAKAMATSU:** Okay. Thank you very much. My name is Richard Takamatsu and I'm with the Reston Chorale. I'm currently serving as Secretary. And looking back at things here, this afternoon I estimated that I've spent over 2,000 hours in this building for various activities. And, I really thank you for keeping it up the way it is, especially thank you for the air conditioning because we were here in April and May for rehearsals and it wasn't working.

I'd like to take this opportunity, first of all, to thank the Reston Chorale - - the Reston Community Center staff who really have supported us for all of our rehearsals and all of the performances that we've had here, and especially the Technical staff and the Box Office. I think, speaking on behalf of the Reston Chorale, I can only say that the facilities here are as good as they can get without total and major reconfiguration and I don't know how you do that, whether you go backwards, upward, or what. But, I was really happy to see it because the other recommendation that I have was - - is addressed on page 21 and I would - - the Reston Chorale, as a group, would really support this and would await this very anxiously. And with that, again I thank you for this opportunity to be here and thank you for all the support you've given the Reston Chorale.

**BONNIE K. FREEMAN:** Thank you. Next on the list is Ann Rodriguez.

**ANN RODRIGUEZ:** I love the air conditioning. Thank you for your comprehensive planning. You are very wise stewards of our tax money and I know that this project - - thank you. Yes, again for the air conditioning. Thank you for your wise stewardship. The idea of enhancements here at the Theatre, a continued emphasis on arts programming at Lake Anne, and the idea of carrying the word into North Point are all things that thrill my soul. I'm a 32-year resident of Reston and deeply engaged in the community and also deeply appreciative and proud of the arts programming and the emphasis on the arts that was shown over the years.

Some of you may be aware that in the County, there's an Arts Commission that has been convened. It is a commission on the future of the arts of Fairfax County. The partnership that has brought this commission together is the Arts Council of Fairfax County, the Economic Development Authority, and George Mason University. Sixteen business leaders, arts leaders, and stakeholders in the

community are looking at the arts County-wide. And, I'd like you to know, if you don't know already, that we are the envy of a lot of other communities in the County because here and in McLean, the emphasis on the arts has created a truly rich community of arts lovers, arts goers, and arts makers. And, I'd just want you to know that it's the hard work of the Reston Community Center that has put us on that map and I applaud and appreciate everything here, and keep up the good work.

**BILL BOUIE:** Thank you, Ann.

**ANN RODRIGUEZ:** The mic is turned off.

**COLIN MILLS:** Just leave it switched off.

**BILL BOUIE:** Yes.

**BONNIE K. FREEMAN:** Please come forward, Mary Jo Ford.

**MARY JO FORD:** My name is Mary Jo Ford. I'm actually a resident of Herndon, not of Reston. However, I have been an active participant at things at Reston Community Center since my daughters started taking dance here in 1984. Since one of them dances in New York now, I think that you have a very good program that started a very strong interest.

I do work with any number of groups in the County; I am a member or volunteer or financial supporter of almost every group you have in Reston. If nothing else, I buy tickets or pass on their literature. In my professional life, I am an arts manager. I manage the Concert Hall for the past 15 years at the Kennedy Center. I just bring that up because I think you have a jewel of a theatre here. Ann is right,

it is the envy of every group in Fairfax County; however, it is very limited in its use. It serves very - - it's just no good for any kind of music performance, whether it's chorale or orchestral. You mention your Lobby doors in the front and the temperature changes. If you have a musician's group in here, the minute you open those doors you change the humidity and temperature climate in the Theatre and it's terrible for any kind of music performance. You use this space for music and I will tell you I personally will advocate for any performing arts space even if it's an adaptation of this, but this also is very limited. It's not good for dance, it isn't good for orchestras, and it isn't good for choruses. It's an open space and they want to sell tickets, they don't want it open to everybody. So, while I certainly say by all means if you can adapt this space, I would encourage that. If there's any way that you can put in the long-term agenda to have a bigger, better performing arts center, it wouldn't diminish the use of this one. This one is a very valuable space, but you aren't serving the whole population. We have so many people who are involved in the arts who are desperate for space that it really would be used. Thank you.

**BILL BOUIE:** Thank you.

**BONNIE K. FREEMAN:** And last, we have Rich Schneider.

**RICHARD SCHNEIDER:** Rich Schneider with the Reston Community Players. The Reston Community Players, I'm sure you know, are probably the single biggest user of the Theatre here at the Reston Community Center. Every year we present four major productions and bring thousands of people into the facility. In fact, two years ago we presented *Disney's Beauty and the Beast* and that one particular show pulled in almost four-and-a-half thousand people into this facility. Many of them have never been here before, but they're now regular Theatre goers to the Center and happily now subscribe to RCP, so this all works out well. While

not all of them, of course, are Reston residents or people who work in Reston, they're bringing their dollars to Reston, the Community Center, to the Hunters Woods Plaza, and so on, and that's certainly very valuable with those audiences, and we hope to be able to do things like that again in the future. I certainly do encourage your thoughts of expanding the Lobby and the Box Office and the loading dock and so on and make the Theatre even better than it is now, which is pretty terrific. As for this space, we certainly encourage you in your consideration of improvements here. We've talked about doing dinner theatre, we talked about doing cabarets, and so on and with the improvements that you contemplate, it will make those possibilities much greater. Thank you.

**BILL BOUIE:** Thank you.

**BONNIE K. FREEMAN:** Is there anyone else who did not sign up who would like to come forward and speak? Mr. Kinzer?

**LLOYD KINZER:** Good evening. I'm Lloyd Kinzer. I'm the President of the Board of the Reston Community Orchestra, as well as a 32-year member of the Reston Chorale, so this room is very near and dear to my heart. And, I want to commend the Board for its opening this public forum and the information giving and gathering opportunity.

My statements are really questions. Very briefly, my first is in the plans for doing things in this room, is there any disruption planned during what we would call the performance season, October through May? And, maybe you don't know that yet, but - -

**BONNIE K. FREEMAN:** We do not know that yet. However, just as we've taken great care to schedule the HVAC repair, so we minimize the disruption to

CenterStage and other operations here in the Center, we would embark on that same philosophy with the renovations and upgrades to this room as well.

**LLOYD KINZER:** I want to thank you. I have just a couple of questions that are also suggestions. You've already spent a lot of money on that ticket booth and so forth; as a matter of fact, it was done twice, but I would suggest is - -

**BILL BOUIE:** Don't remind us.

**LLOYD KINZER:** Pardon?

**BILL BOUIE:** Don't remind us.

**LLOYD KINZER:** Yes. Something to divide off the entrance way coming into this room, a wall and a door, so that when events are happening in this room and there are entrances or intermissions from the Theatre and so forth, there isn't a lot of crossover and sound going from one to the other, I think would be a big help. I can finish in 30 seconds. The second is, is there any way of getting the pool observation area into the pool and out of this room? Maybe even putting a wall across here or taking the glass wall and bringing it on this side of the viewing area while you're doing it, and even a wall and a door would help closing off this room. But, I think those would be nice things to consider. And, thank you again.

**BILL BOUIE:** Thank you.

**CLARK RUMRILL:** I have just a brief question or two. I understand that the Board's policy is, and correct me if I'm wrong, that 25 percent of the expense of running the Center should be born by the participants, the swimmers, and attendants, and is this correct?

**BILL BOUIE:** Bill, you want - - ?

**BILL PENNIMAN:** There is a policy taking into account the total cost of the Center - -

**CLARK RUMRILL:** Right.

**BILL PENNIMAN:** - - as opposed to the cost of individual courses where the percentage of the cost - - out-of-pocket cost is the fees cover much more of the out-of-pocket costs than what you're describing. But, yes, there is that general rule.

**CLARK RUMRILL:** And, what percent of the expenses are covered by participants?

**BILL PENNIMAN:** Out of the total budget?

**CLARK RUMRILL:** Yes.

**BILL PENNIMAN:** I don't have a number for you, but it is - - but it is below 25 percent of the total cost of the Center.

**CLARK RUMRILL:** Yes. Now, is it possible that if the Board followed its own policy, it could reduce the amount of tax - - the tax rate by perhaps, ten percent?

**BILL PENNIMAN:** You mean, if the fees cover a higher percentage?

**CLARK RUMRILL:** Yes, if they cover what the Board said they should cover, the amount of taxes could be reduced by ten percent.

**BILL PENNIMAN:** I don't know if it would have that impact.

**CLARK RUMRILL:** Could the Board look - - would the Board be willing to look into that?

**BILL PENNIMAN:** The Board will be willing to look into that.

**CLARK RUMRILL:** And would the Board be willing to think about the possibility of reducing taxes?

**BILL PENNIMAN:** Yes.

**CLARK RUMRILL:** I see nothing in this presentation that even contemplates that.

**BILL PENNIMAN:** The Board will be happy to look at that.

**CLARK RUMRILL:** Thank you, that's all.

**BILL PENNIMAN:** Okay.

**BONNIE K. FREEMAN:** And excuse me, will you state your name for the record, please sir?

**BILL BOUIE:** Your name and your address.

**BONNIE K. FREEMAN:** For the record.

**CLARK RUMRILL:** Clark Rumrill, 11223 Handlebar Road, Reston.

**ALEXIA REDICK:** My name is Alexia Redick. I'm with Conservatory Ballet way over there. We've been doing the *Nutcracker* here for 35 years or something like that, and we - - I've been a lifetime resident, born, and bred. And so, we would really, really appreciate the expansion and renovations of these areas, especially this room. You know, long-term project would be great to have an additional theatre. I know the orchestra - - not having an orchestra pit really, you know, does something and it would be a wonderful thing to do partner projects with, you know, the Chorale and the Orchestra and stuff of that nature. But, we're never able to because of the limited space available, and it's a very hard thing to do managing 70 three-year olds, in which we do regularly. So, I mean our average age is seven at our school and that's an average performance age. So, you know you have to keep that into consideration of when, you know, thinking about your future or long-term range goals and projects because we really would appreciate it and we don't care where, just as long as it's in Reston, we're a happy camper, you know. So, if you could, you know, consider doing that - that would be wonderful. And that's really all I have to say. I just, you know, all the improvements that you're making, you know, the continual doing what you've been doing for as long as I can remember literally, I grew up in this Theatre. So, I really appreciate it and I really hope that happens. Thanks.

**BILL BOUIE:** Anyone else? Comments, questions, concerns? Come on up, sir. Please state your name for the record.

**MIKE RIVERA:** Pardon me?

**BILL BOUIE:** Your name?

**MIKE RIVERA:** Okay, my name is Mike Rivera and pretty much, I just have a comment about the pool or actually the spa at Lake Thoreau. It seems to be like

it's always broken down and I've noticed that this is something that's happened repeatedly over the past three years. You know and it just seems, you know, I think - - I know that a lot of people would like to use it. And, it seems kind of frustrating that nothing's ever done to, you know, repair or maintain that particular spa. You know, and the only time any work seems to be done is when people want to use it and I just wondered if you guys can, you know, address a comment or anything else like that.

**BILL BOUIE:** I will - - I will pass that on. We are - - we are all residents of Reston, we all share your concern for Lake Thoreau.

**MIKE RIVERA:** Right.

**BILL BOUIE:** We will certainly pass that on to the Reston Association.

**MIKE RIVERA:** Well, you know it seems like something that could be done, you mean - - you know, outside the season when people use it, you know, to try and maintain and you know make sure that - - those things don't happen when people want to actually use it.

**BILL BOUIE:** Right. This - - Lake Thoreau, the pool and the spa, is not under the purview - -

**MIKE RIVERA:** Okay.

**BILL BOUIE:** - - of the Reston Community Center. But, I will pass that on - -

**MIKE RIVERA:** Oh, okay. Okay, great.

**BILL BOUIE:** - - to Larry Butler of Reston Association, as well.

**MIKE RIVERA:** Okay, great, thank you.

**BILL BOUIE:** That's one of the great things that happened last year with the - - with the changing of the boundaries is that we know that all of us in here are Restonians that belong to the Tax District, so if you have an issue, we all have an issue and we can share that.

**CAROL ANN BRADLEY:** Tomorrow night, Cheryl Beamer will have a meeting of the Hunters - -

**BILL BOUIE:** Here.

**COLIN MILLS:** Right here.

**BILL BOUIE:** Yes, there's a - - there is actually a community meeting of Hunters Woods/Dogwood - - Hunters Woods/Dogwood District for Reston Association here tomorrow night at 7:00. But, like I said, I will pass that on to Larry Butler tomorrow.

**MIKE RIVERA:** Thanks.

**BILL BOUIE:** Anything else? Nothing?

**LLOYD KINZER:** No, thank you for a good job.

**BILL BOUIE:** Well, thank - - thank you very much for coming. And, if anything ever comes up, please feel free to contact Bonnie or any of the Board members.

And, we certainly appreciate all of your past support, everything that you've done for us in the past years, including particularly the last year. And, we look forward to many, many exciting projects going forward. So, thank you and drive home safely and we'll see you next year, or before.

.....End.....



## MEMORANDUM

**DATE:** August 9 2007  
**TO:** RCC Board of Governors  
**FROM:** Bill Penniman, Chair  
Finance Committee  
**SUBJECT:** August 6, 2007 Finance Committee Report

The Finance Committee met on Monday, August 6, 2007. Present were:

- Bill Penniman, Chair
- Roger Lowen
- Cathy Vivona
- Beverly Cosham
- Bill Bouie

Attending from the RCC staff were:

- Bonnie K. Freeman, Executive Director
- Thomas Ward, Deputy Director
- Renata Wojcicki, Finance Director
- Leila Gordon, Performing and Fine Arts/Community Events Director

The Chair officially called the meeting to order at 6:00 p.m. He said the purpose of this meeting was to begin reviewing the RCC draft FY2009 Budget. The Committee would finalize a recommendation at its August 20th meeting and present it at the RCC Board of Governors meeting on September 17.

**FY2009 Budget Guidelines:** The finance director summarized the FY2009 Budget Development memorandum sent on July 23, 2007 to County agency directors from Susan Datta, Director of the Department of Management and Budget (DMB). Copies of the memorandum and FY2009 Budget Guidelines Summary were distributed to Committee members.

**RCC Draft FY2009 Budget:** The finance director presented the draft FY2009 Budget for RCC. The FY2007 Carryover Budget package was delivered to DMB on July 10, the County Executive presented the package to the Board of Supervisors on August 6, and the Board will approve the final package on September 10. Carryover funds represented the commitments from FY2007 that still required payment and final execution; therefore, funds must be provided in FY2008 to cover these expenditures. Because carryover funds have not been approved yet, they were not included in the estimated FY2008 Fund Balance at this time. The estimated FY2008 revenue will be affected by the interest revenue processed by the Department of Finance on August 3. The total available Fund Balance for FY2008 was estimated at close to \$4.5 million and estimated at approximately \$3.8 million for FY2009.

RCC requested an increase of \$207,885 for FY2009 personnel expenditures; however, final personnel funding would not be available until next week but was expected to be close to this estimated amount. RCC also requested an increase of \$281,925 for FY2009 operating expenditures, based on the following components: Citizens Survey; Governance Review; updated transcribing equipment; electronic balloting for the 2008 Preference Poll; temporary rent and moving of staff and equipment during the HVAC renovation project; replacement of tables and chairs; and general administrative maintenance cost increases, including the Department of Information Technology's PC replacement costs.

## August 6, 2007 Finance Committee Report

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The Chair asked whether it was appropriate to set aside \$50,000 for the Citizens Survey since it was planned for this fall and would not be conducted again until FY2010. The deputy director replied that RCC staff had reserved these funds when the FY2009 Budget was originally submitted because the RCC Board had not yet decided to proceed with the survey in FY2008. The survey should have occurred in FY2009 but because it was deferred a year ago, the biennial survey process was now out of sync. If the RCC Board decided to continue the biennial process, there would be no immediate requirement to budget for the survey in FY2009 unless there was a need for the funds in a similar area. The executive director said it would be reasonable to set aside this amount for the survey to accommodate the possibility of the RCC Board deciding to arrange focus groups to obtain input on new initiatives or the Capital Improvement Plan (CIP). The Chair concurred.

The finance director concluded her presentation by noting that RCC also requested an increase of \$39,540 for FY2009 capital equipment expenditures to replace six Martin Mac 500E moving lights for CenterStage.

**FY2009 Capital Projects:** The finance director stated that \$1,855,950 was proposed for FY2009 capital projects, as outlined in the "FY09 Capital Projects" document that had been distributed to Committee members. The executive director discussed the capital projects that have been approved by the RCC Board and the projects that were still under review.

In response to a question from Cathy, Bill B. explained that every major budget item outside basic operations and maintenance costs needed to be discussed by the appropriate RCC Board committee prior to being forwarded to the entire Board for approval. The budgeted capital projects with "under review" status still needed to be passed by the full RCC Board in order to move forward.

The executive director pointed out that RCC staff had taken the recommendation to overhaul the HVAC system at Lake Anne off the table, thus eliminating \$600,000 in proposed budgeting.

Responding to a question from the Chair, the finance director said the RCC budget analyst had projected a four percent decline in residential taxes and a seven percent increase in commercial taxes collected from properties within Small District 5 (SD5) in FY2009. The estimated overall tax revenue for FY2009 was calculated based on the FY2007 tax base, decreased tax rate, and reduced size of SD5 and excluded the number of new residential and commercial properties projected to come onto the market in 2008. Bill B. reported that between FY2008 and FY2009, an estimated six to eight million square feet of commercial/office space was expected to open in Reston, 95 percent of which was already leased.

**Lake Anne Lease and Service Agreement with RELAC:** The executive director noted that she did not identify any information that specifically addressed RELAC in the Lake Anne lease. The Chair commented that RELAC should have a tariff because it was regulated by the Virginia Corporation Commission as a utility. He requested that staff provide him with the service agreement with RELAC, including any statements of rates and charges by RELAC to RCC and other tenants at the Lake Anne Village Center. The executive director and deputy director replied that they would determine the source to obtain this information.

In response to a question from the Chair, the deputy director explained that the Lake Anne of Reston Condominium Association's maintenance staff regulated and monitored the use of the heating and cooling system at the RCC Lake Anne center.

Responding to a question from the deputy director, the finance director indicated that RCC paid RELAC approximately \$2,500 per month beginning in May when the cooling was turned on until sometime in September when it was turned off.

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The Chair suggested that RCC staff consider discussing with the condominium association's maintenance personnel about extending the heating and cooling service later than 10 p.m. to accommodate activities on particular nights.

**Major Reserve Fund Policies:** The Chair requested that RCC staff provide long-range information to include the approximate year and a range of the estimated costs for the big-ticket repair, replacement, and maintenance items that were anticipated in the future. This information could be updated on an annual basis to help the RCC Board and staff plan for the future and determine if the three major reserves, Maintenance, Feasibility Study, and Capital Project, should be increased to address these items.

The executive director noted that the reserves were currently calculated based on a percentage of total RCC revenue. With the implementation of a CIP and general timeframe to complete the approved projects, the RCC Board should evaluate and update the reserve amounts on an annual basis according to how the projects were prioritized without commitment to a specific dollar amount.

The executive director expressed concern about forecasting costs for future fiscal years because of inflation. The Chair replied that the RCC Board should be able to review a highly-qualified range of rough estimates, which factored in current dollars, cost of living, and extent of deterioration, for big-ticket items over \$75,000 that were anticipated to be replaced within 6 to 10 years. Bill B. suggested that RCC staff review the CIP and identify current costs for short and long-term projects with the caveat that all projects had to be reviewed and updated on an annual basis.

In response to questions from the Chair, the executive director said the reserve levels would be more accurate if they were reviewed and updated by the RCC Board on an annual basis and not assigned a fixed percentage. The CIP was designed to identify the projects that needed funding and the amount needed to be set aside in the reserves in order to support the CIP.

Responding to another question from the Chair, the performing and fine arts/community events (PAFA/CE) director explained that it would be difficult for RCC staff to calculate a stability fund for core programs because a majority of programming was connected to the CIP. The Chair suggested as a topic for future consideration whether the reserves should be adjusted to better serve as a cushion against revenue fluctuation and catastrophic needs.

**Twenty-Five Percent Recovery Fee for RCC Programs:** The executive director stated that based on the current tax rate and program fees, internally generated revenues would need to reach \$1.8 million if they totaled 25 percent of RCC's operating costs, excluding capital projects.

The Chair led a discussion on whether the current tax rate could be reduced by 10 percent if RCC recovered 25 percent of operating costs, as asked by a citizen at the FY2009 Budget public hearing. The executive director replied that in order to reduce the tax rate by this much, program fees would increase by more than double. The PAFA/CE director commented that it was impossible to know what would happen to participation and revenues from such large fee increases unless RCC actually tested this theory.

Following a discussion, the Chair concluded that such a dramatic increase in fees would appear inconsistent with the mission and role of RCC and would be disproportionate to the direct costs of offering programs and services.

**Staff Review of Current Finances:** The finance director briefed the Committee on RCC's year-to-date financial status for June. RCC concluded the fiscal year favorably with total revenue exceeding the original estimate by \$1,193,129. Total personnel expenses had a remaining balance of \$448,271, which

## **August 6, 2007 Finance Committee Report**

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will be returned to the Fund Balance, because of several long-term merit position vacancies in the Media, Finance, and Maintenance departments; a significant number of exempt position vacancies that were held for re-examination through the workforce plan and will be reclassified; and numerous program cancellations. RCC executed only 86.6 percent of the operational budget.

The finance director referred to the memorandum, "FY2007 End of Year Agency Summary Carryover," sent to Susan Datta, director of DMB, from the Chair of the RCC Board and the RCC Executive Director on July 10, copies of which were distributed to Committee members. The unencumbered balances for operating expenses and capital projects would be carried over to the FY2008 Budget. All savings and additional revenue are expected to have a significant impact on the Fund Balance.

There being no further business, the meeting adjourned at 7:45 p.m.



## MEMORANDUM

**DATE:** August 23, 2007  
**TO:** RCC Board of Governors  
**FROM:** Bill Penniman, Chair  
Finance Committee  
**SUBJECT:** August 20, 2007 Finance Committee Report

The Finance Committee met on Monday, August 20, 2007. Present were:

- Bill Penniman, Chair
- Cathy Vivona
- Roger Lowen
- Bill Bouie

Attending from the RCC staff were:

- Bonnie K. Freeman, Executive Director
- Renata Wojcicki, Finance Director

Beverly Cosham was absent and excused. The Chair officially called the meeting to order at 6:00 p.m.

**RCC Draft FY2009 Budget and RCC Fund Statement:** The executive director noted that the FY2008 Revised Budget Plan's beginning balance reflected the FY2007 Actual fund ending balance and the FY2009 Advertised Budget Plan's beginning balance reflected the FY2008 Revised Budget Plan's ending balance. The FY2009 estimated fund balance was approximately \$2.3 million less than the FY2008 estimated fund balance.

The finance director reported that the RCC Fund Statement, once approved by the Committee and subsequently the RCC Board, would be forwarded to the Fairfax County Department of Management and Budget (DMB) and become part of the permanent record. The FY2007 ending balance was higher than anticipated at \$7,241,645. The FY2008 Revised Budget Plan is the benchmark for the FY2009 Budget. The FY2008 Revised Budget Plan allocated \$3.5 million for capital projects, which was higher than projected for the FY2008 Adopted Budget Plan due to approximately \$448,000 in carryover funds. The FY2008 ending balance was projected to be close to \$5 million.

The FY2009 estimated tax revenue of approximately \$7 million was based on the projections provided by the Fairfax County Department of Tax Administration in January 2007, the amended Small District 5 boundaries, and the reduced tax rate. RCC staff projected interest revenue using a conservative approach without consideration of the FY2007 actual interest revenue due to the unpredictable economic outlook. The overall FY2009 revenue for taxes, interest, and programs was anticipated to be \$8,145,381 and total expenditures were projected to be \$8,890,065.

DMB would provide RCC with the personnel budget by the end of this week. The FY2009 Budget allocated \$4,092,418 for personnel expenditures, which represented merit and exempt employee salaries, future salaries, pay for performance increases, fringe benefits for merit and exempt staff, and requests for exempt staff positions. The FY2009 Budget allocated \$2,902,157 for operating expenses, which was \$283,402 more than the FY2008 Budget as explained during the August 6th Committee

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meeting. Including capital projects, total disbursements were estimated to be \$8,890,065. After reviewing the Performing and Fine Arts/Community Events Department's request for an increase of \$39,540 for FY2009 capital equipment expenditures, the finance director determined that these funds should have been identified as capital project expenditures; therefore, the funds were reclassified to capital projects and the total amount was increased to \$1,895,490, as reflected in the Fund Statement. The projected ending balance for FY2009 was \$4,192,759.

Responding to questions from the Chair, the finance director explained how she calculated RCC's anticipated personnel costs.

In response to a question from Cathy Vivona, the finance director indicated that staff had developed the FY2009 Budget based on the assumption that the Center would be open all year. After arrangements have been finalized for the temporary rent and moving of staff, equipment, and programs to an off-site facility while HVAC system renovations were underway at the Center next summer, staff would consider how this move would affect programming and revise estimates for FY2009 revenue and expenditures accordingly at Third Quarter Review. If staff anticipated a drop in revenue due to fewer program offerings, there would be an associated decrease in expenditures. The executive director said that in January, staff would find out the availability and actual cost for rental office space. The finance director noted that \$100,000 had been reserved under Administration expenditures to fund the costs to lease temporary office space and move staff and equipment.

The Chair stated that the approval of the draft FY2009 Budget did not have the effect of approving the capital projects identified as under review. He said that the Finance Committee's role was to focus on the budget implications of each proposed project. Provided that the staff-recommended projects have been reasonably well-prepared and thought-through by staff or have already been approved by another committee, the Finance Committee's role is to determine the adequacy of available funding for inclusion in the budget. Whether the projects will actually be implemented will depend on separate review and actions by other committees and the Board.

**Major Reserve Fund Policies:** The Chair noted a future topic of discussion was whether the three major reserves were sufficient or whether some of the unreserved balance should be converted to a new reserve. Bill B. said that the reserves were contingent on what the RCC Board approved for the ever-changing Capital Improvement Plan (CIP). The Chair agreed, but said that the reserves were also affected by anticipated circumstances and appropriate funds should be reserved to provide a reasonable cushion against having to amend the tax rate on a regular basis.

Responding to a question from Roger, Bill B. said he anticipated numerous discussions on collaborative efforts with other community organizations to expand RCC programming and facilities. Bill B. reported that he and the executive director have discussed the process involved in building a new facility including funding sources and a bond referendum with Supervisor Hudgins and the Deputy County Executive over the past six months. He believes that by the end of this year, plans for the major reserves would be more definite going into FY2010.

In response to another question from Roger, the executive director explained that the CIP would enable the RCC Board and staff to elaborate to the public on the utilization of reserves, designation of funds for the potential expansion of RCC's footprint or construction of a new facility, and prioritization of and estimated timeframes for projects.

**RCC Capital Improvement Plan:** The executive director stated that the establishment of the CIP was based on future needs and associated impacts on programming. She said staff carefully and thoughtfully developed the recommendations for the projects.

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Responding to a question from Cathy, Bill B. explained that once approved, the FY2009 Budget would be used by the staff and the Building Committee as one component in determining which capital projects would take place. The dollars allocated for capital projects would be approved by the Finance Committee but not the projects themselves.

The Chair said that the CIP had not been approved at the detail level, noting that neither the RCC Board nor any particular committee had approved any individual project. He believed that the CIP was a useful guidance document that should be described as a projection.

The executive director noted that the Building Committee would make recommendations on projects that were expected to take place between 2010 and 2012 and how to earmark funds for those projects.

**MOTION: Roger moved that the Finance Committee recommend to the RCC Board adoption of the draft FY2009 RCC Budget.**

Cathy seconded the motion which carried unanimously with Beverly absent from the meeting.

There being no further business, the meeting adjourned at 6:43 p.m.