

Highlights: MCC Board Proposed Budget for Fiscal Year 2024 (7/1/23–6/30/24)



McLean
Community
Center

The Center of It All

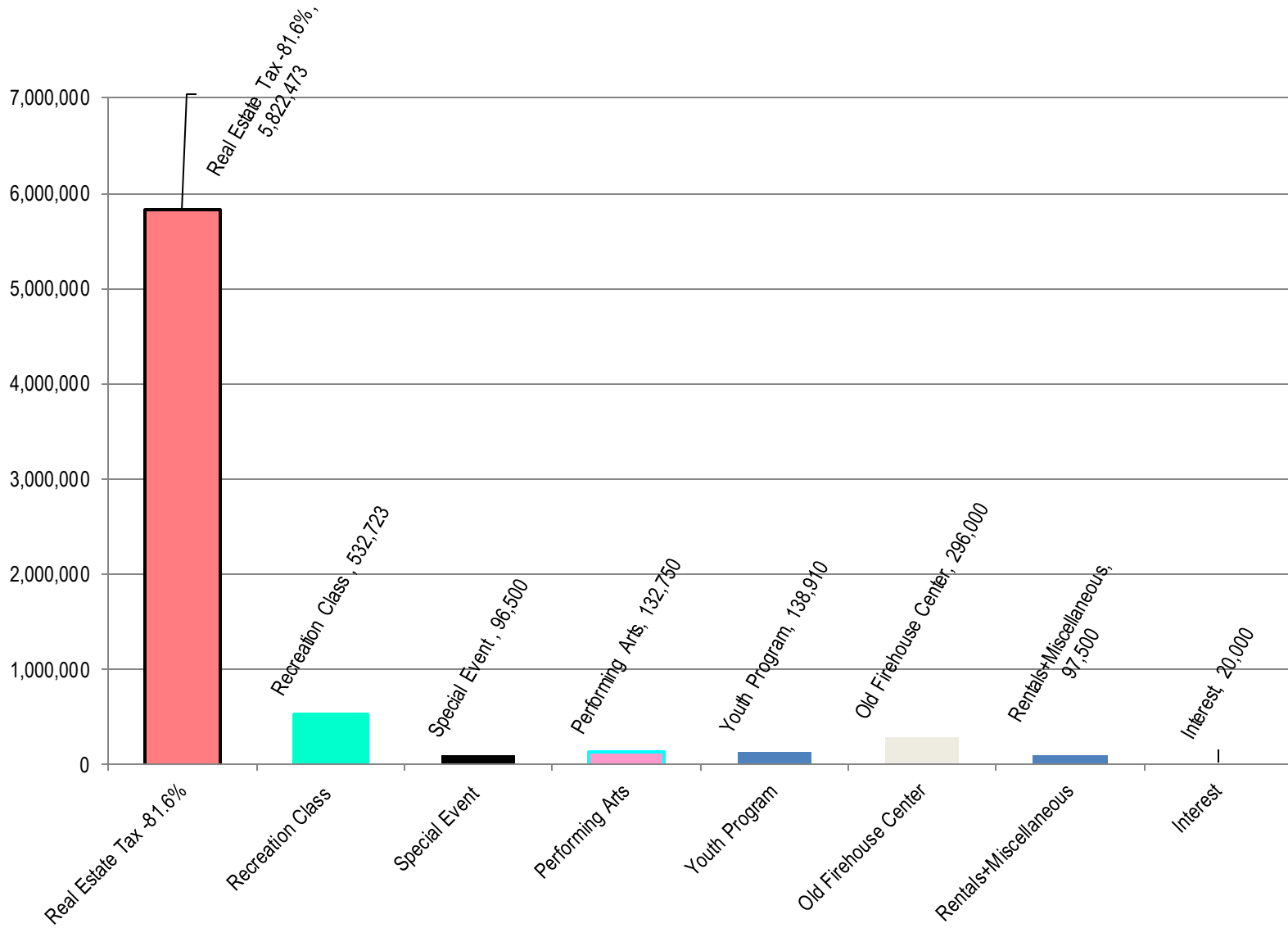
Prepared for MCC Governing Board Public Hearing

Wednesday, Oct. 26, 2022 at 6:30 p.m.

Executive Summary

- MCC maintains a strong history of financial stewardship, with one of the lowest tax rates of our peer groups at 2.3c/ \$100 of Assessed Values.
- FY20 and FY21 and FY22 were challenging years for MCC, as was for the whole economy. COVID-19 affected the center's operations from March through June of FY21 and continued to impact FY22 with lower usage, for safety.
- FY24 is budgeted to be a FULL year of normal operations. The registration for FY23 is picking up and the same is expected to continue in FY24.
- Program revenue for FY24 are projected to be \$1,314,383, a 20% increase over FY23 Advertised Budget.
- FY24 Revenues are projected to be \$7,136,856 a 6% growth over FY23 Advertised Budget. Expenses are projected to be \$7,136,856. A balanced budget is being presented, assuming operations will be under normal conditions for the full year.
- Our current tax rate is 2.3c per \$100 of assessed value in FY24. We have maintained this tax rate since 2015.

FY24 Revenue



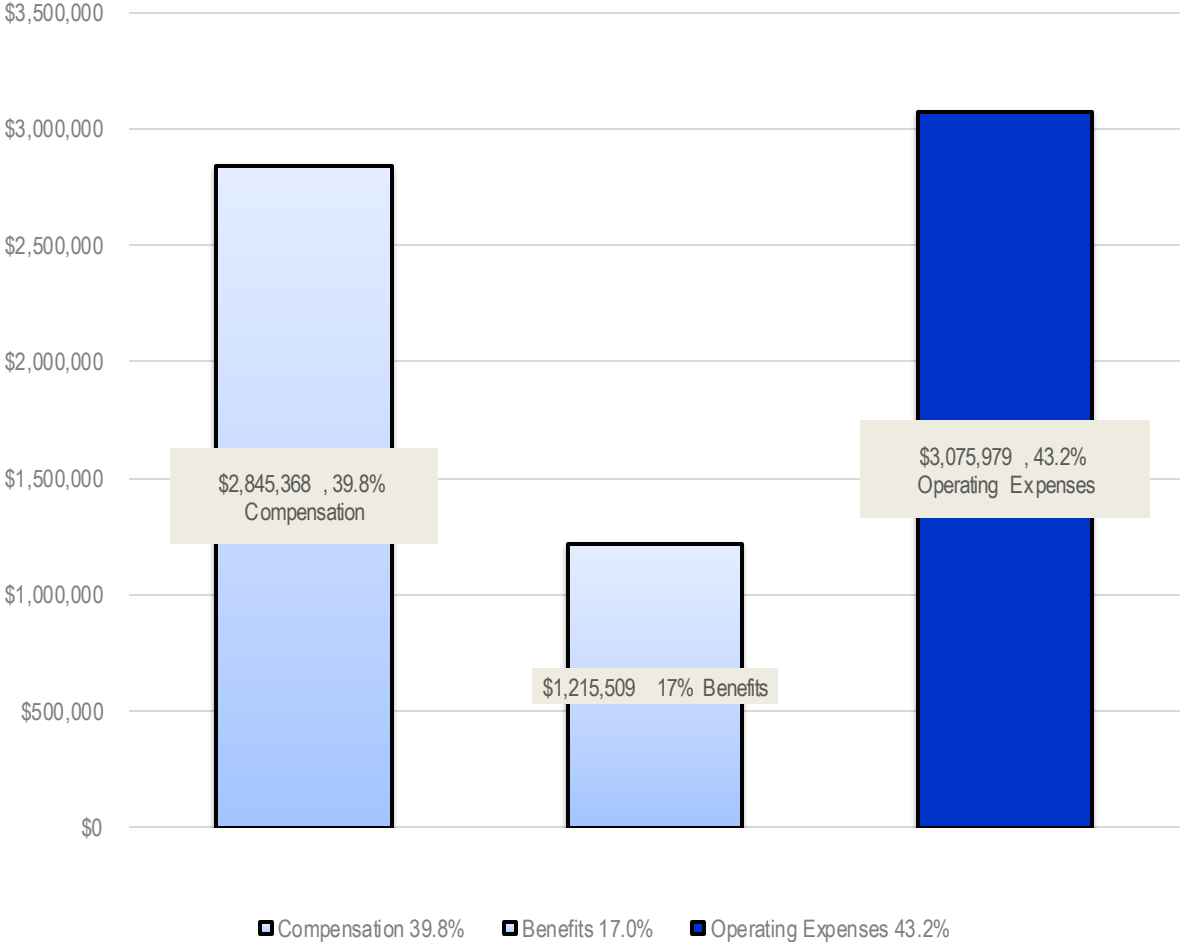
Financial Summary FY22-FY23-FY24

McLean Community Center Financial Summary FY24 Preliminary Projections

	FY 2022	<i>% of total Revenue</i>	FY 2023	<i>% of total Revenue</i>	FY 2024	<i>% of total Revenue</i>
	Actual		Advertised		Proposed	
Operating - REVENUE						
Real Estate Tax	5,190,922	86.1%	5,636,842	83.7%	5,822,473	81.6%
Interest on Investments	6,252	0.1%	20,000	0.3%	20,000	0.3%
Total Tax and Interest Revenue	5,197,174	86.2%	5,656,842	84.0%	5,842,473	81.9%
Recreational Class Fees- Instructional Programs	423,254	7.0%	467,300	6.9%	532,723	7.5%
Special Events	89,248	1.5%	53,400	0.8%	96,500	1.4%
Performing Arts - Theatre	61,856	1.0%	114,550	1.7%	132,750	1.9%
Youth Program Fees	72,072	1.2%	138,910	2.1%	138,910	1.9%
Teen Center - OFTC	98,933	1.6%	212,500	3.2%	296,000	4.1%
Visual Arts Activity Fees	0	0.0%	0	0.0%	1	0.0%
Total Program Revenue	745,363	12.4%	986,660	14.7%	1,196,884	16.8%
Miscellaneous (Facility Rentals, Ad Revenue, etc.)	85,875	1.4%	89,325	1.3%	97,500	1.4%
TOTAL REVENUE	6,028,412	100.0%	6,732,827	100.0%	7,136,857	100.0%
	14.2% over 2021		11.7% over 2022		6% over 2023	

This forecast is based upon reasonable assumption, given the current economic condition; however, it reflects only our best judgement at the present time and constitutes no representation or warrant of what the operating results will, in fact, be.

FY24 Expenses



McLean Community Center Financial Summary FY22-FY23-FY24 Preliminary Projections

	FY 2022	% of total Expense	FY 2023	% of total Expense	FY 2024	% of total Expense
	Actual		Advertised		Proposed	
Program + Support Expenditures						
Administrative Services	1,107,278	19.5%	1,228,602	18.2%	1,283,592	18.0%
Facilities Services	749,316	13.2%	856,762	12.7%	828,262	11.6%
Public Information	519,682	9.2%	527,175	7.8%	551,175	7.7%
Support Expenditures	2,376,276	41.9%	2,612,539	38.8%	2,663,029	37.3%
Recreational Class - Instructional Programs	625,589	11.0%	790,763	11.7%	834,635	11.7%
Special Events	577,751	10.2%	647,182	9.6%	744,738	10.4%
Performing Arts- Theatre	1,137,282	20.0%	1,577,924	23.4%	1,725,535	24.2%
Youth Program	291,982	5.1%	364,008	5.4%	359,558	5.0%
Teen Center - OFTC	639,107	11.3%	715,411	10.6%	784,361	11.0%
Visual Arts Activity	24,858	0.4%	25,000	0.4%	25,000	0.4%
Program Expenditures	3,296,569	58.1%	4,120,288	61.2%	4,473,827	62.7%
Program + Support Expenditures including Compensation and Benefits	5,672,845	100.0%	6,732,827	100.0%	7,136,856	100.0%

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FY24 Budget

The Components Making Up the Revenues:

- Taxes projected at 2.3c per \$100 of Assessed Value \$5,822,473 81.6%
(Based on the adjusted assessed value of Dranesville district 1A on 01/20/2020)
 - Program, Rental and Interest Revenues \$ 1,314,383 18.4%
- FY24 Program Revenue is projected to be 20% higher than FY23.

Administration- Finance – Registration- Front Desk – IT

Compensation & Benefits	\$1,085,950
Other Expenses	
Postage	\$10,000
Employment Services	\$25,000
PC Replacement	\$40,000
Tech Infrastructure	\$15,000
Telecon Services	\$28,000
Telecom Chargebacks	\$17,000
Professional Training	\$ 5,000

- Total Expenses are 18% of Revenue

FY24

Administration Public Information Office

- Compensation & Benefits \$ 362,200
- Other Expenses:
 - Postage \$35,000
 - Printing \$50,000
 - Contract Services \$40,000
 - Comm. Media \$50,000
 - Marketing \$ 6,000

Total Expenses are 7.7% of Revenue

Facilities

- Facility rentals of meeting rooms income are projected at \$56K.
- Compensation & Benefits \$531,760
- Projected Participants 10,000
- Other Expenses:
 - Building Supplies \$ 4,000
 - Building Contracts \$140,000
 - Other Repairs. \$ 65,000
 - Electricity \$ 60,000
 - Gas \$ 12,000
 - Water \$ 5,000
 - Refuse Disposal \$ 8,000

Total Expenses are 11.6% of Revenue

FY24

Instruction Classes

Program	FY24 Proposed Budget			
	Potential offerings	Attendees	Expenses	Revenue
AIM Dance	180	1,027	\$176,643	\$217,058
Body Moves Fitness	102	242	\$61,598	\$75,691
Dog Solve-Self Defense	49	312	\$31,800	\$39,077
Dorothy Hassan Writing	Not Offered			
FunFit	33	88	\$7,806	\$9,592
Giant Food	5	60	\$0	\$0
Joel Olson (Cooking)	92	94	\$3,689	\$4,532
Sports	46	228	\$16,833	\$20,684
Music Together	117	915	\$100,951	\$127,457
Fencing	6	18	\$6,454	\$9,592
Silver Knights Enrichment	17	130	\$34,315	\$42,167
Sparks Business Academy	3	15	\$0	\$0
Strength and Balance (Linda Bernstein)	6	88	\$6,441	\$7,915
Technology	Included in SIA		\$0	\$0
Staff Instructors T- Ball	4	107		\$7,145
New Programs - Kids Yoga	4	20	\$4,000	
Emerging Programs	12	-	\$20,000	\$0
SIA	14	59	\$800	\$1,512
Bridge	20	80	No Charge	
Instructional Department	709	3,482	\$471,330	\$562,422

Major Expense:

Compensation And Benefits	\$ 368,300
Other Expenses Finance Charges (Registration Fees)	\$ 33,700
Commercial Media	\$ 6,700
Instructors Fees	\$410,583
Printing	\$ 3,900

Total expenses are 11.7% of Revenue

FY24

Special Events

Program	FY24 Proposed Budget		
	Attendees	Expenses	Revenue
July 4th	2,500	\$ 75,250	
Scavenger Hunts (3)		\$ -	
Fall Garage Sale	1,100	\$ 3,331	\$ 1,100
Fall Recycling Event			
McLean Pet Fest	1,000	\$ 32,200	\$ 1,200
McLean 5K	500	\$ 14,925	
McLean Uncorked	250	\$ 13,000	\$ 3,600
Subject to Alcohol Approval from FFX			
Winter Lights	1,200	\$ 21,150	
Antique Show	1,000	\$ 4,330	\$ 6,000
McLean Holiday Craft Show	2,300	\$ 10,660	\$ 6,000
Be Fit			
Volunteer Awards		\$ 7,500	
Traveling While Black			
Earth Day	250	\$ 12,800	
Spring Garage Sale	800	\$ 4,525	\$ 1,100
McLean Day	10,000	\$ 204,050	\$ 77,500
Emerging Event		34,600	
Operating Expenses		\$20,400.00	
	20,900	\$ 458,721	\$ 96,500

Major Expense:

Compensation and Benefits	\$286,017
Supplies	\$41,500
Printing	\$13,500
Commercial Media	\$30,125
Artist/Vendor Contracts	\$198,300
Rental of Equipment	\$121,800
Service Other Agencies	\$18,300

Total Expenses are 10.4% of Revenue

FY24

Performing Arts

Program	FY 24 Proposed Budget			
	Attendees	Expenses	Revenue	# of events
Adult Series	1,895	\$ 167,940	\$ 45,250	11
Family Series	1,800	\$ 94,560	\$ 28,050	6
"Live"	1,200	\$ 24,045	\$ 18,380	4
Summer concerts/Outdoor adult shows	1,200	\$ 36,711	\$ -	6
Outdoor family shows + Juneteenth artists	800	\$ 31,475	\$ -	4
Martin Luther King Jr Celebration	350	\$ 24,675	\$ 5,650	3
Youth productions	408	\$ 34,310	\$ 7,700	4
UTP	800	\$ 21,295	\$ -	12
Speakers and lectures	400	\$ 19,235	\$ 6,500	2
Classes	72	\$ 7,265	\$ 6,000	6
Macdonald Competition		\$ 7,325	\$ 600	4
Camp (Camp Shakespeare)	26	\$ -	\$ 2,200	4
Movies	720	\$ 1,140	\$ -	18
Community Arts	N/A	\$ 500	\$ 5,000	3
Rentals	1,250	\$ 500	\$ 2,480	11
Library Speakers	250	\$ 6,090	\$ -	1
Chamber Music	300	\$ 18,720	\$ 1,500	5
Celebrations	1,080	\$ 82,880	\$ 9,000	7
Innovations	750	\$ 129,940	\$ 15,225	6
Overhead		\$ 178,479		
TOTALS	13,301	\$887,085	\$153,535	117
Travel and Training		\$15,984		
One-time purchases of equipment		\$53,000		
Grand Total		\$956,069		

Major Expense:

Compensation and Benefits	\$769,466
Postage	\$ 27,800
Equipment	\$129,375
Maintenance Repairs	\$ 36,350
Finance Charges	\$ 13,975
Commercial Media	\$ 109,385
Transportation	\$ 11,300
Artists Fees	\$ 510,200
Meals	\$ 15,180
Equipment Rental	\$ 16,550
Training	\$ 15,990
Printing(Brochures etc.)	\$ 49,470
Professional Membership	\$ 4,200
Recreation Activities (Licenses)	\$ 2,140

Total Expenses are 24.2% of Revenue

FY24

Youth Events

Program	FY 24 Proposed Budget		
	Attendees	Expenses	Revenue
Family Pumpkin Decorating	n/a		
Harvest Happenings (September)	650	\$ 18,609	\$ 650
Pop Up/Touch a Truck (October)	1220	\$ 1,000	\$ -
Holiday Gingerbread (December)	120	\$ 2,257	\$ 2,000
Santa Claus is Coming to Town (December)	250	\$ 6,698	\$ 1,000
Springfest (April)	250	\$ 7,007	\$ 1,000
Pop UP Bubble Run + Touch a Truck			
Parent & Child Dance (February)	200	\$ 7,144	\$ 4,000
Overheads			
Total	2690	\$ 42,715	\$ 8,650
Camp Mclean	240	\$63,475	\$126,260
Overheads			
Total	2930	\$106,190	\$134,910

Major Expense:

Compensation & Benefits \$253,370

Other Expenses:

Supplies \$18,125
 Uniforms \$ 4,200
 Commercial Media \$ 7,700
 Transportation \$ 25,000
 Vendor/Artists \$ 20,830
 Meals \$ 5,450
 Rental of Equipment \$ 3,492
 Professional Training \$ 3,000
 Service Other Agencies \$ 3,734
 Rec Activities \$ 8,470

Total Expenses are 5% of Revenue

FY24

Old Firehouse Teen Center

Program	FY 24 Proposed Budget		
	Attendees	Expenses	Revenue
After School (ASP)	4,000	\$ 11,550	\$ 30,000
Block Party-Sept (BP)	2,000	\$ 48,750	\$ -
Friday Night Activities (FNA)	2,900	\$ 41,550	\$ 55,000
Break Trips (BT)	500	\$ 55,900	\$ 35,000
Facility/Rental WD (Facilities)	7,000	\$ 97,810	\$ 16,000
Facility/Rental WE (FAC)	2,000		\$ 10,000
OFTC Camp (CAMP)	380	\$ 124,950	\$ 150,000
Total Expenses	18,780	\$ 380,510	\$ 296,000

Total Expenses are 11% of revenue

Major Expense:

Compensation & Benefits \$403,851

Other Expenses:

Supplies \$ 38,500
 Uniforms \$ 2,450
 Building Mtn. Contracts \$ 21,000
 Building Repairs \$ 12,000
 Financial Services \$ 9,500
 Commercial Media \$ 16,000
 Transportation \$ 73,000
 Vendor/Artists \$ 32,750
 Meals \$ 40,500
 Rental of Equipment \$ 2,500
 Electricity \$ 18,500
 Water \$ 2,000
 Professional Training \$ 5,500
 Vehicle Expenses \$ 6,000
 Rec Activities \$ 76,000

FY24

Old Firehouse Teen Center Programs

ASP-Change in ASP Program from 7-12 grade to 5-9 grade

Summer Camp - Metro Richmond Zoo, Paddle Boarding, Dave & Buster's, Busch Gardens, Autobahn Speedway, Philadelphia Food Tour, Defy Trampoline, Kings Dominion, Skate Zone, Dole's Outpost, Treetop Zoofari, Funland Fairfax, White Water Rafting at WISP, Ultimate Archery, Speedworld, Ocean City, Uptown Alley, Regal/AMC Theaters, Urban Air, Catoctin Wildlife Preserve, Washington Nationals Baseball, Water County USA, Splatter Paint, Climbzone, Pedal Boating at National Harbor, Paintball, Tree Trekkers, Top Golf, Hershey Park, Medieval Times, Shadowland, Splashdown Waterpark, Magic Elm Skateland, Turkey Hill Factory, Richmond Food Tour, Pinstripes .

Break Trips

iFly, Regal/AMC Theaters, Summit Ropes, ICE at the Gaylord, Dave & Buster's, Hershey's Chocolate World, Ultimate Archery, Laser Tag, Ice Skating, VR Zone, Splatter Paint, Uptown Alley, Main Event, WISP Winter Adventure, Altitude Trampoline, Timeline Arcade, Indoor Waterpark, Go Karting, Paintball, iPlay America, Defy Trampoline

Friday Night Activities

(Trips) Haunted House, Sporting Events, Zavazone, Laser Tag, Movie Theater (Parties) Monster Mash, Ugly Sweater, Snowball, St. Patty's, Luau (Events) Summer/Fall Block Party, Family Bingo, Snack & Paint, Festival of Frights & Trunk or Treat, Light Up McLean, Winter Block Party, Sensory

FNA-Addition of 5th & 6th Grade Dance, Sensory Day and potential other pop ups (FY23)

BP-Addition of Winter Block Party (FY24)

BT/Camps-Bus pricing increased (FY23), addition of overnight trip (FY24)

McLean Community Center								44800
Capital Improvement Projects								
Project Description		FY22 Budget	FY22 PAID	FY22 Encumber.	FY22 Carry Over	FY23 Budget	FY24 Proposed	Comments
THEATRE PROJECTS								
Theatre Dressing Room Design	18,000							Included in Construction
Dressing room bathroom-Cabinets	200,000	200,000						Completed -Includes Design and construction -TMG
AV/IT/Dante Cat 6e Wiring Infrastructure Installation in Theatre.	40,000					52,000	150,000	AV/Streaming Retrofit / renovation
House Light/Worklight LED Renovation - Design and Engineer (Replacement)	225,000	200,000	19,001	704	704	206,000		\$200,000 + 19000.59 -In Process- 8500459327 SWSG
Theatre Chain Hoist System	22,000					22,000		In Process
Railing Behind Theatre Seats	13,000			12,956	12,956	12,956		In Process-8500463305 -TMG
Theatre Cyclorama motorized Roll Drop	30,000					31,000		
Moving Lights			28,990					MCC- AYO11340 Aryton Diablo-S LED Profile- Cancelled
							20,500	Replacement of Controllers for Dimmer Rack
Total Theatre Projects	950,730	400,000	177,953	13,660	13,660	323,956	170,500	

McLean Community Center								44800
Capital Improvement Projects								
Project Description		FY22 Budget	FY22 PAID	FY22 Encumber.	FY22 Carry Over	FY23 Budget	FY24 Proposed	Comments
OTHER PROJECTS								
Storage Sheds - 2 - Theatre and Sp Events						35,000		Storage Sheds #2 Theatre and Sp.events
Electric Vehicle Charging Stations						150,000		2 Charging Stations Place Holder
Electric Supply Upgrade for Charging Stations						100,000		Electric Power for Charging Stations Place Holder
MCC Roof Duval Hallway				82,500	82,500	82,500		Function Ent. Roof Duval
H 3 HVAC RTU Replace				41,938	41,938	41,938		HVAC Replacement3 Units Completed
SW HVAC Replace Duval Unit				17,164	17,164	17,164		HVAC Replacement3 Units Completed
								AV for Maffitt - Stedman
								AV for CommunityHall
								OF ADA Bathrooms
Total Equipment Replacement		-	145,729	141,602	141,602	426,602	-	
Total Capital Expenses		400,000	323,682	155,262	155,262	750,558	170,500	

FY24 Budget - Capital Overview

FY23 Projects:

Theatre \$324K.

AV/IT/Dante Cat 6e Wiring - Design, House Lights LED Conversion, Chain Host System, Railing, Theatre Cyclorama Motorized Roll Drop.

Other Projects \$751K

Storage Shed replacement. Electric Vehicle Charging Stations, EV Charging Stations Electric Upgrade, MCC Roof Duval, HVAC Replacements,

FY24 Projects:

Theatre \$170K

AV/IT/Dante Cat 6e Wiring – Installation, Replacements of Controllers for Dimmer Racks

McLean Community Center Financial Summary FY24 Preliminary Projections

	FY 2022	FY 2023	FY 2024
	Actual	Advertised	Proposed
FUND STATEMENT			
Tax Rate per \$100 of Assessed Value	2.3	2.3	2.3
Beginning MCC General Fund Balance	6,531,813	6,563,696	5,813,138
Total Revenue	6,028,412	6,732,827	7,136,857
Total Operating Expenditures	(5,672,845)	(6,732,827)	(7,136,857)
Net Surplus (Shortfall) from Operations	355,568	(0)	0
Less :Capital Expenses	(323,684)	(750,558)	(170,500)
Net Surplus/(Shortfall)(incl. Capitals)	31,883	(750,558)	(170,500)
MCC General Fund Balance	6,563,696	5,813,138	5,642,638
Break Down of Fund			
	FY 2022	FY 2023	FY 2024
	Actual	Advertised	Proposed
Capital Improvement Reserve Fund	5,563,699	4,813,141	4,642,641
Operating Contingency Reserve	1,000,000	1,000,000	1,000,000
Total Fund Balance	6,563,696	5,813,138	5,642,638

¹ The Ending Balance fluctuates due to adjustments in revenues and expenditures, as well as carryover of balances each fiscal year.

² The Equipment Replacement Reserve had been established by the McLean Community Center Governing Board to set aside funding for future equipment purchases at 2 percent of total revenue. Beginning in FY 2023, this amount will be included in the Capital Project Reserve.

³ The Capital Project Reserve is primarily for the Renovation of the McLean Community Center (MCC). The MCC Board has authorized utilizing an amount of \$8.0 million over a multi-year period for the renovation. The Capital Project Reserve also funds other capital projects for MCC and the Old Fire House Teen Center.

⁴ The Operating Contingency Reserve has been established by the MCC Governing Board to set aside cash reserves for operations as a contingency for unanticipated expenses and fluctuations in the center's revenue stream. The amount was increased to \$1,000,000 effective in FY 2023.

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FY24 Budget - Expenditures

- Operating Expenses represent the expenses used to operate MCC on an annual basis. They include regular costs such as, facility maintenance, utilities, instructor fees, theatre productions and expenses associated with events like July 4th and McLean Day. The funding for operating expenses is budgeted and approved for a single fiscal year.
- Personnel Expenses include salary compensation, taxes and benefits, such as health, retirement and workman's compensation.
- Capital Expenses are monies used to buy, replace and improve large items like air conditioning units, the Alden sound system, and projects like the planned renovation of the MCC and Old Firehouse facilities. These expenses are budgeted to be spent either in a single fiscal year or, sometimes to be spent across multiple years. An unfinished capital project can have its funding moved to the next fiscal year if this is deemed necessary to complete the purchase/work.

FY24 Budget - Taxes

- Tax Revenues = Total Tax Assessment of Properties in MCC Tax District multiplied by tax rate.
 - Example: For a house assessed at \$1,000,000, MCC tax assessment at 2.3¢ per \$100 would be \$230 per year.
- MCC uses FY22 tax assessment projections, provided by the County, for FY2024 tax calculations.
- Actual Assessments for FY24 will not be announced until Feb. 2023.
- As a result, the tax revenue for FY2024 is a projection.

Notes:

The Contingency Fund Reserve is to be maintained at \$1,000,000 effective FY21 third Quarter.

Assessed Value of Properties in Small District 1A

Residential Base - \$23,616,576,010

Non-Residential Base - \$1,205,684,700,

2022 Tax Base - \$24,822,260,710

Total Households 18,283

Average value of household \$1,357,669

Tax paid by each household at .23C per \$100 = \$312.80 per year.

Looking Forward

- Accumulated reserves were used for the center's recent renovation and other capital equipment or improvement projects. MCC may, in future years, consider an increase or decrease in the tax rate to have expenditures equal revenues. This decision will be influenced by many variables, especially changes in assessed value of property in MCC tax district in FY24 and beyond.

Other Considerations

- 50th Anniversary
- Other considerations ??????