McLean Community Center
The Center of It All

Reserves & Capital Spending

Historical trends and the FY27–FY28 outlook

$6.83M

FY26 actual ending reserves

$5.01M

FY27 revised projection

$4.91M

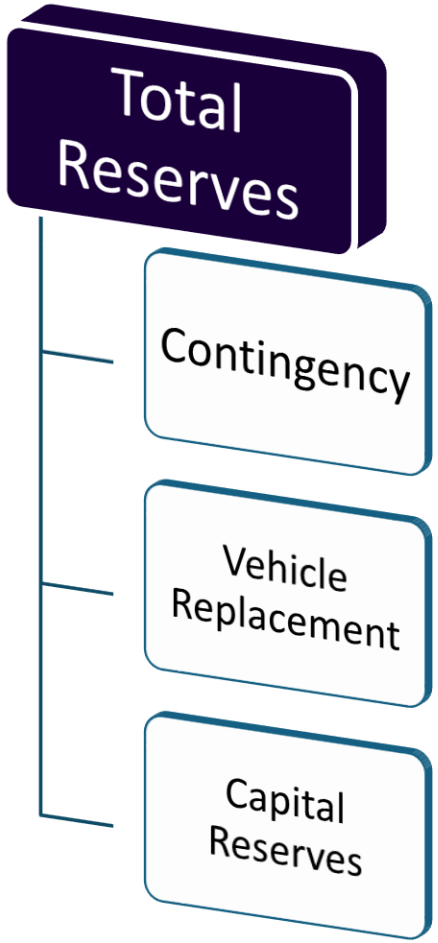
FY28 proposed projection

MCC Reserves Explained

Reserves equal the annual balance carried over year after year

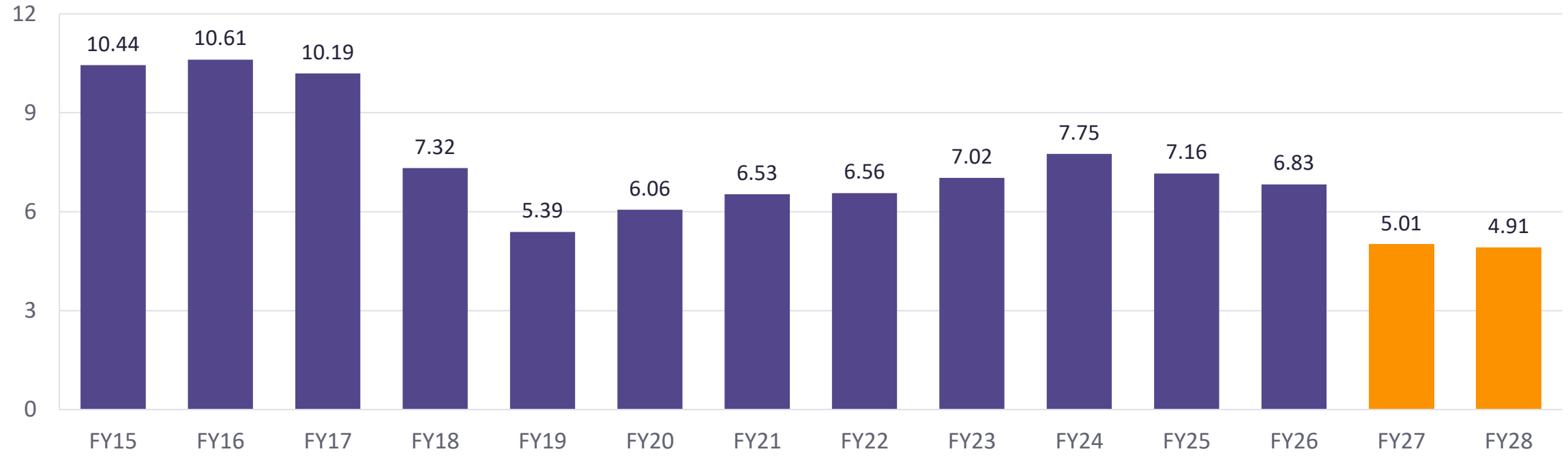
Those reserves are then placed in 3 different buckets.

- Continency: An amount set aside to be available for any emergency operating expenditure - currently set at $1M
- Vehicle Replacement: An annual amount set aside to fund the replacement of MCC owned vehicles – currently set at $18k annually
- Capital Reserves: The balance of total reserves less the contingency and vehicle replacement. These are reserves but do not reflect the annual capital budget.



Year-end Reserves FY15-FY26 Actuals & Projections

Ending fund balance, $ millions



Purple: FY15–FY26 actuals Orange: FY27 revised / FY28 proposed

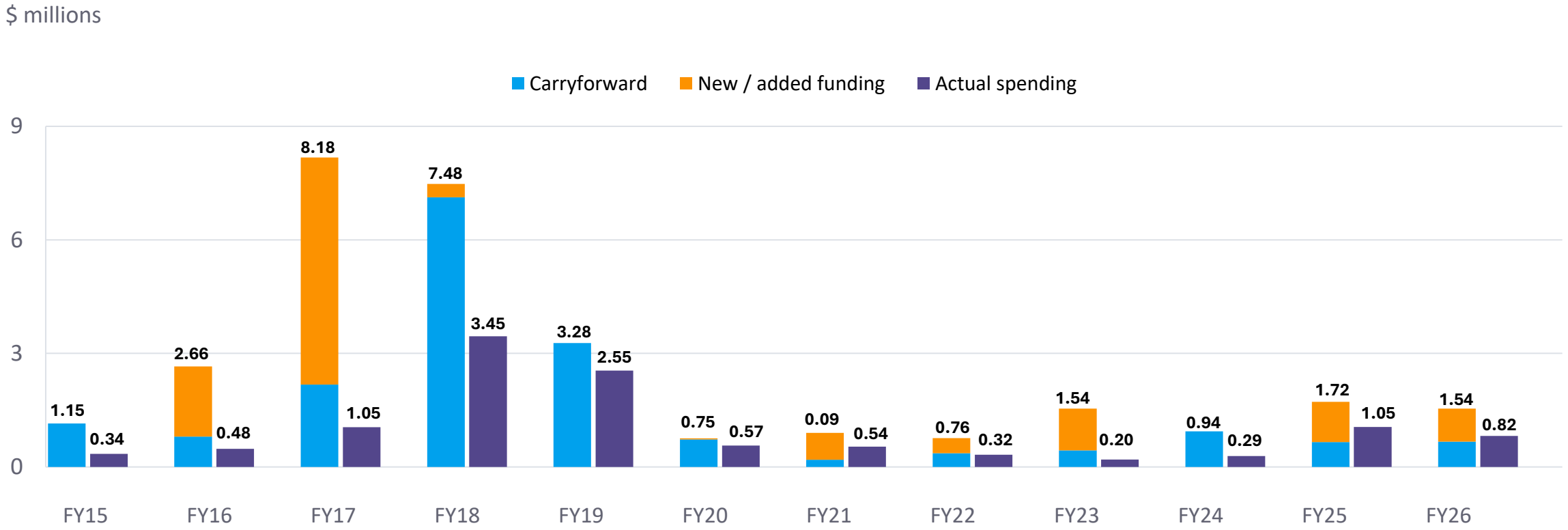
FY18–FY19: $6.00M in capital spending accompanied the decline. This period reflects MCC renovation/addition.

FY20–FY24: reserves rebuilt for five consecutive years.

FY27—FY28: assume full capital budget spending with no carryover.

Annual Capital Budget vs. Actual Spending

Each year: Stacked capital budget on the left, actual spending on the right



Annual Capital Budget budgets for full spending; however, actuals spent are typically over multiple years.

FY27 Draws Down Reserves; FY28 Levels Off

FY27 REVISED

$5.01M Reserve Balance

$1.395M capital spending
$18K vehicle allocation

FY28 PROPOSED

$4.91M Reserve Balance

$75K capital spending
$18K vehicle allocation

Both projections assume full capital spending and no year-end carryover.

FY15-FY26 show each year ended with unspent capital funding carried forward

Actual year-end reserves will likely be higher than projected assuming carry forward trends

Outlook and Discussion

Concluding statements:

1. Project timing can change annual balances.
   Outstanding commitments remain important.

2. MCC retains substantial reserves, but its financial cushion could narrow.

3. A reserve target should reflect future facility needs. A reserve target of $6.5M is ideal.