

# NEWS & NOTES

from the ALLEGHENY REGIONAL ASSET DISTRICT

Winter 2004

## 2005 BUDGET RETAINS DISTRICT PRIORITIES

### District Explores Shared Services Agenda

On November 29, the Regional Asset District Board adopted a year 2005 budget of \$74,342,400, about \$1.4 million less than 2004. While the reduction is due primarily to the elimination of debt service payments associated with improvements at the Zoo, Phipps and Aviary (obligations which ended in 2004), the Board's Allocation Committee noted in its report to the full Board that 2004 will be the fourth straight year that the District has not seen an appreciable increase in tax revenues.

Based on current trends, 2005 is projected to be a no growth year as well. According to the Allocations Committee, "With the possibility of this trend continuing, we think that it is important for the District to initiate contingency planning and dialogue with assets about the fiscal realities we face together. Included in this process should be a close examination of long term financial projections and an examination of funding priorities with a look at steps we could take to encourage shared resources and lower asset administrative costs.

While issuing its caution, the Allocations Committee expressed confidence in the future of the region and praise for asset achievements in 2004 that include "completion of major library capital improvements, upgrading of regional park facilities, expansion of important cultural assets, and performances and exhibi-

tions that excelled." By the end of 2005, the public will have invested \$753 million in our region's assets, through the District.

### Board Opens Dialogue on Shared Services, Lowering Costs

To begin to address concerns about shared costs, the District invited Marilyn Coleman, Executive Director of Pro Arts, and Mitch Swain, Director of Shared Services for the Cultural Trust, to speak at a recent joint Board/Advisory Board meeting about efforts their organizations have made to create collaboration and initiatives that benefit many groups.



The Box Office at Theater Square in the Pittsburgh Cultural District, an example of a successful shared services project. (Photo by Kevin Cooke.)

According to Ms. Coleman, Pro Arts ticketing provides about small and mid-sized performing arts groups with professional ticketing (about 45,000 in 2003), customer service and data management necessary for successful audience development; helps organizations share resources and avoid duplication; and helps organizations focus limited available financial and human resources on producing quality artistic product. Its Business Volunteers for the Arts and Volunteer Lawyers for the Arts bring *pro bono* consulting to arts organizations, saving these organizations substantial costs.

The Trust's Shared Services Project, according to Mr. Swain, is funded now primarily through a Cultural District ticket surcharge of 50 cents, has created collaborative sourcing of commodities and services, and joint marketing efforts that improve knowledge, customer service and increase potential customers. The results are impressive. For example, in 2004, pooled purchasing has resulted in \$1,026,000 annualized savings. Through the use of the smART database, single ticket sales for the six participating organizations (excluding the Broadway line) are up 24% over two years. With the completion of the Trust's Theater Square complex, centralized ticketing is now a reality. A near-term goal is to work with Pro Arts to extend this and other marketing services to other arts organizations outside the Cultural District.

The District plans to continue this type of discussion with Board and Advisory Board members, assets and the public throughout next year.

## Revenue Update

Beginning with this issue, the District will include updates of sales tax revenue trends. A similar analysis will be provided monthly at the District web site [www.radworkshere.org](http://www.radworkshere.org).

Sales tax revenue received in 2004 for the grant program for the year 2004 will be \$72.5 million. An equal amount will be divided among the county and municipalities. The amount is about 1% more than received in 2003 but remains below the record 2000 year when the District received \$73.5 million. It also fell slightly short of the original 2004 budget estimate of \$72.7 million.

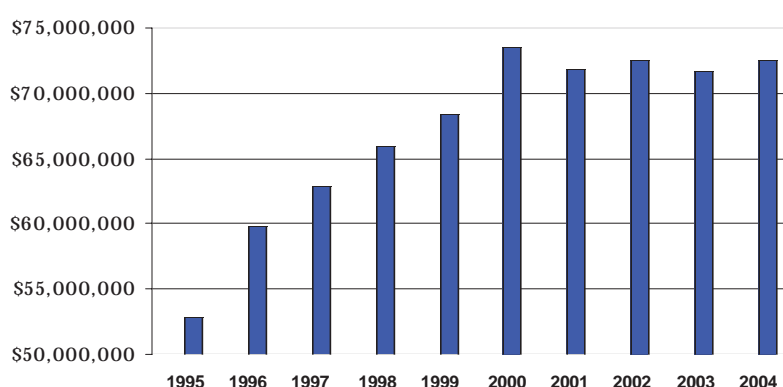
Auto sales remained a major contributor to the funds in 2004 averaging about 13% of the total. The receipts are net of collection costs retained by the state which are expected to top \$2 million this year, half of which is paid from the District grant fund. The collection costs have significantly increased in the last three years.

Beginning in 2005, the State Department of Revenue is changing the filing procedure for vendors that collect sales tax. Filers will now be required to submit their sales tax return on line or via the phone with the goal of reducing processing costs. District staff has met with state officials to



Visitors at the Society for Contemporary Craft enjoy hands-on art activities during "10 RADical Days." See back page for full event story.

### Total Tax Revenue



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### Contact RAD:

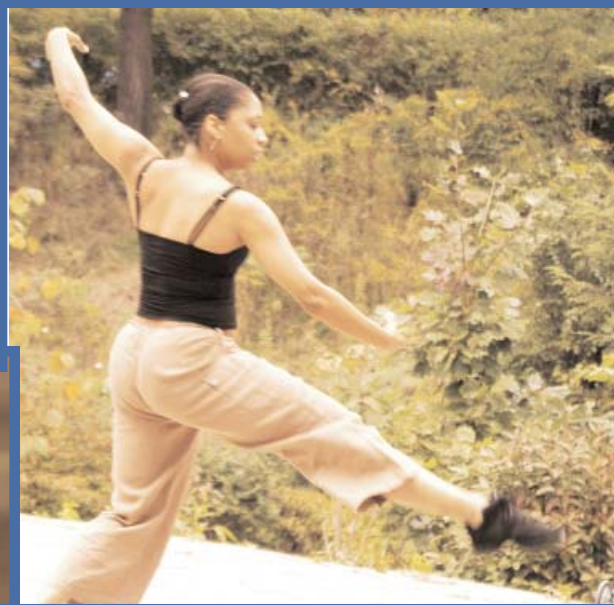
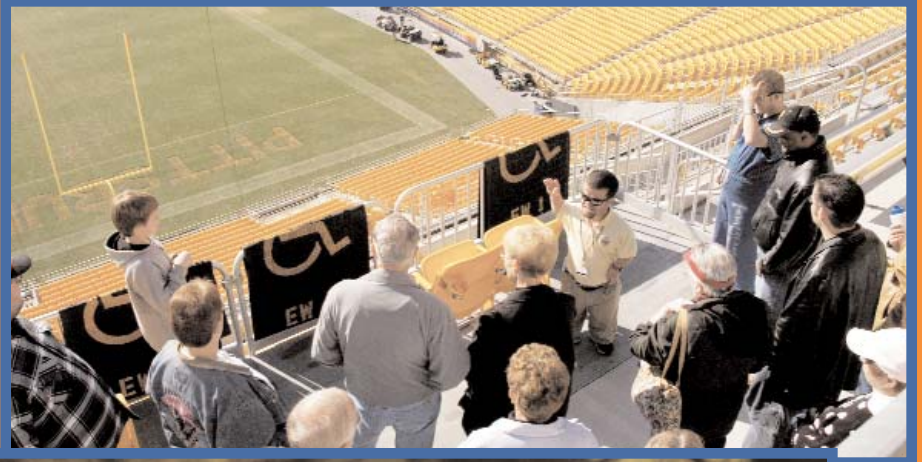
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# “10 RADical Days” Review

In celebration of the 10th anniversary of the Regional Asset District, 56 asset groups came together for “10 RADical Days” in October. Featuring free admission days at 26 locations, and performances by 13 different groups, the event drew more than 42,000 people, a 70% increase from 2003. The event committee reached out to the public through the media, special event brochures designed by Pittsburgh Zoo & PPG Aquarium staff, and by direct contact with underserved and special needs populations. In its third year, “RADical Days” is a “thank you” to the public for its support of the assets, and a fun way for the public to get to know its regional assets.

*Photos, clock-wise, from the upper right: Tours at Heinz Field (photo by Julia Vesper); Pittsburgh International Children's Theater at the Pittsburgh Zoo (photo by Julia Vesper); Kuntu Repertory Theatre at the Pittsburgh Zoo (photo by Julia Vesper); Carnegie Library of Pittsburgh Grand Re-opening of Main Library; Pittsburgh Symphony Orchestra with conductor Daniel Meyer (photo by Jason Cohn); Pittsburgh Zoo & PPG Aquarium (photo by Julia Vesper).*



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