

2006 Final
Operating and Capital Budget



Board of Directors

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Introduction

The Allegheny Regional Asset District is an areawide special purpose unit of local government that exists under authority of Pennsylvania Act 77 of 1993. The area of the District is the same as Allegheny County, Pa. The purpose of the District is to distribute half of the proceeds from a one percent county sales tax to projects and facilities designated as regional assets. The act specifically describes those assets as civic, recreational, sports and cultural facilities, libraries and other entities as determined by the Board of Directors.

Grants to regional assets are made through the budget process. Under the Act, the District is required to prepare a preliminary budget ninety days prior to the end of its fiscal year, which is the same as a calendar year. It then must adopt a final budget thirty days prior to the end of its fiscal year. Final allocations must be supported by six of the seven voting Board members who are required to hold a public hearing on the proposed budget.

Certain assets have been given status as "contractual assets", that is, they have contracts with the District guaranteeing funding for a period of five years (2005-2009). In addition, the District has entered into multi-year commitments with the Sports and Exhibition Authority related to facility debt. The District has also elected to fund other assets. The budget is organized to reflect these three categories of assets.

Questions or comments concerning the budget may be addressed to the District in writing or during the public comment period held at each regularly scheduled Board meeting. A schedule of meetings as well as additional information may be obtained from the District office at:

One Smithfield Street
Pittsburgh Pa. 15222 (412) 227-1900 or Fax (412) 227-1905 TT 1-800-654-5984
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**ALLEGHENY REGIONAL ASSET DISTRICT
REPORT OF THE ALLOCATIONS COMMITTEE
December 1, 2005**

Members of the Board and General Public:

We are presenting our final recommendations for the 2006 Operating and Capital Budget. The Committee has taken into account all of the comments, testimony and additional information received since the preliminary budget was released in October. While these recommendations were not all unanimously agreed to by the committee, they do reflect where there is a consensus at this time.

In summary, the recommended 2006 budget is \$74.6 million, about \$300,000 higher than the 2005 budget. Tax receipts and interest earnings of \$73.4 million and reserve funds of \$1.2 million will finance the budget.

The recommendation, if accepted, would authorize 83 operating and capital grants to 80 organizations. Capital grants of \$1.4 million would go to regional parks for construction and repair of recreation, shelter and restroom facilities.

The category allocations remain essentially unchanged since the preliminary budget: libraries would receive 32% of the funding; parks, trails and other green space projects 29%; support for the stadiums and arena is 21%; regional facilities including the Aviary, Zoo and Phipps receive 8%; arts and culture programs receive 9%.

As we indicated in our report in October, additional information was needed on sales tax trends before making a final estimate for this and next year. While revenue in October and November exceeded expectations, we learned that these months contained substantial one-time revenue in the form of audit deposits and credits.

Indeed, if you remove these deposits, our November revenue would actually have been less than the same month last year. Much of this is in a marked decline in auto sales tax which was 23% lower than November of last year.

The bottom line, however, is that we are able to recommend an additional \$864,150 in 2006 allocations. The largest share of this increase, some \$515,000, is a 1% increase to each of the nine contractual assets. This group represents 72% of the total budget and was held at current levels in the preliminary budget, pending the additional revenue information.

Several adjustments to the annual grants category result from additional information and appeals received since the preliminary budget was released.

As stated in our preliminary report, this budget reflects the District's emphasis on the need for strong financial stewardship, resource sharing and programming excellence. The recommendations in this plan follow those priorities by reducing grants where the committee sees continued weakness

in the finances and/or management of an organization, and by providing modest increases to organizations that have shown progress in the priority areas.

We thank the elected officials, volunteer boards and staffs of the assets and our advisory board for their work in moving through the budget process. We thank the public for its attention and comments. We also thank our staff for their assistance in preparing the Board to make difficult yet rewarding, choices.

Submitted by,

Allocations Committee

Joyce Baskins, Rick Pierchalski, Jerry Voros

Allegheny Regional Asset District
Comparative Summary of Revenues and Allocations

<u>Revenues</u>	2005 Adopted Budget	2006 Preliminary Budget	2006 Final Budget
Sales Tax	\$72,200,000	\$71,500,000	\$72,900,000
Interest Earnings	\$165,000	\$450,000	\$450,000
Reserve, refunds, lapses	\$1,977,400	\$1,770,600	\$1,234,750
Total Revenues	\$74,342,400	\$73,720,600	\$74,584,750

<u>Expenditures</u>	2005 Adopted Budget	2006 Preliminary Budget	2006 Final Budget
Operating Grants	\$72,284,600	\$71,724,100	\$72,557,850
Capital Grants	\$1,594,000	\$1,432,000	\$1,458,000
Administration	\$552,000	\$564,500	\$568,900
Less Administration Surplus	(\$88,200)		
Total Expenditures	\$74,342,400	\$73,720,600	\$74,584,750

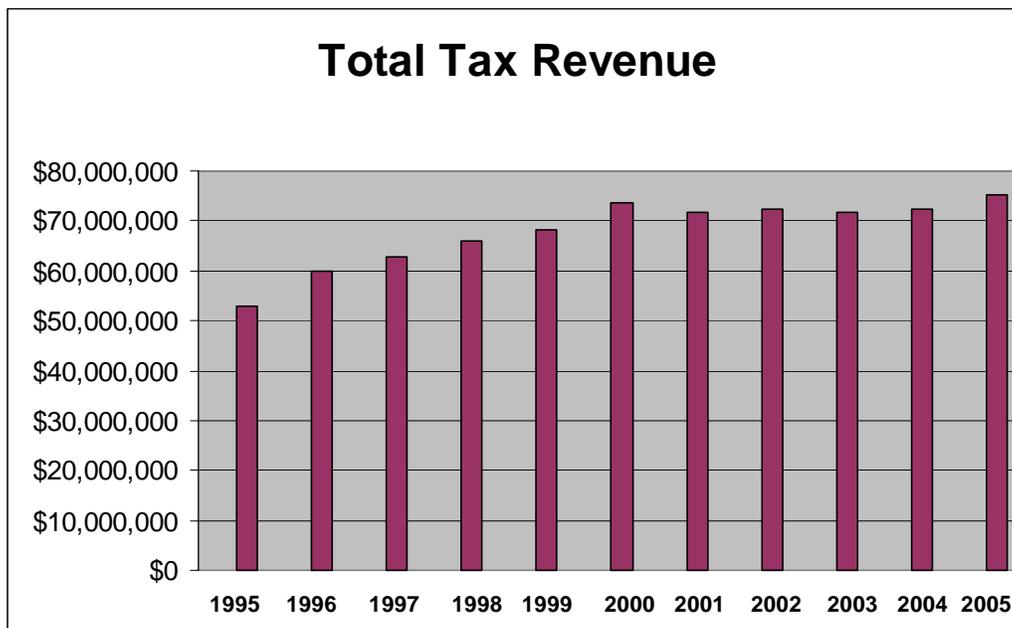
2006 Expenditures by Asset Category

Asset Category	Operating	Capital	Total	% of total
Contractual	\$52,144,400	\$1,458,000	\$53,602,400	72%
Annual	\$4,613,450	\$0	\$4,613,450	6%
Multi Year	\$15,800,000	\$0	\$15,800,000	21%
Administration	\$568,900	\$0	\$568,900	<1%
Total	\$73,126,750	\$1,458,000	\$74,584,750	

Revenue

The District's main source of revenue is one half of the proceeds from the Allegheny County 1% Sales and Use Tax. This tax is levied on the same basis as the Pennsylvania Sales and Use Tax. The other half of the tax goes to Allegheny County and the municipalities within the county for tax relief, general government purposes and aid to councils of government and/or regional programs. The District estimates it will receive \$72.9 million in tax revenue in 2006. This is net of collection costs retained by the Pennsylvania Department of Revenue estimated to be \$1.2 million for the District alone. Another \$1.2 million is charged to the sales tax distributed to the county and municipalities.

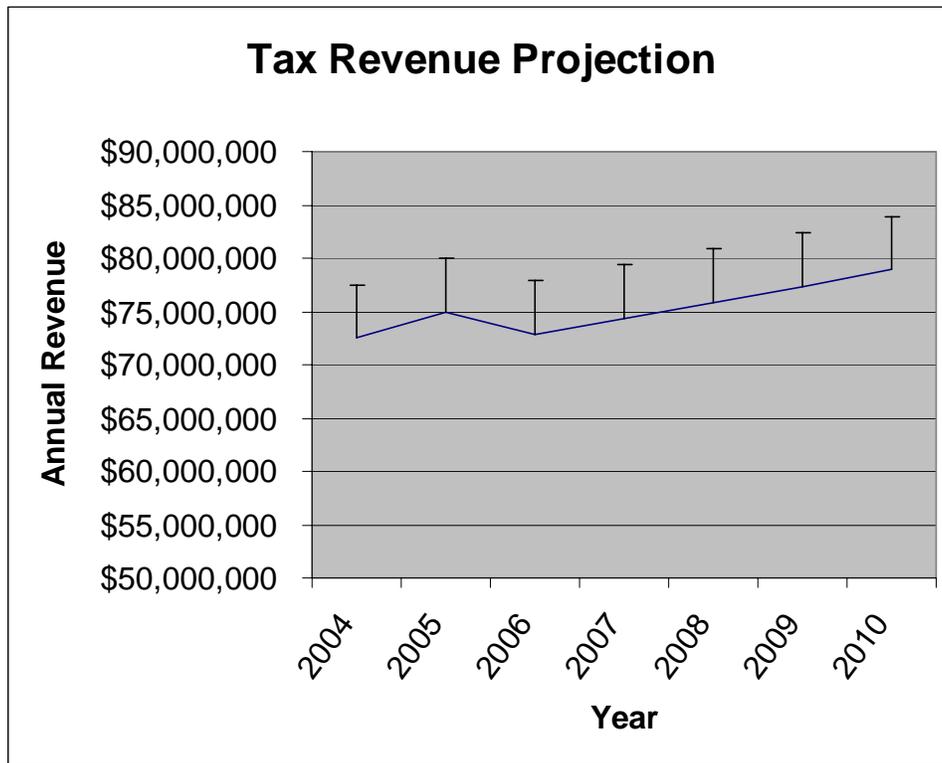
The following chart illustrates the actual receipts from 1995-2005 with the projection for 2006. Although the District enjoyed growth in most years up through 2000, tax receipts began to level in 2001. A series of one time revenues in late 2005 produce an unexpected growth that year. A 2% decrease is projected for 2006 as a result of increasing energy costs and other economic issues.



Interest earnings for 2006 are estimated to produce \$450,000. In order to balance the budget, \$1.2 million will be needed from the District's reserve fund.

Long Range Forecast

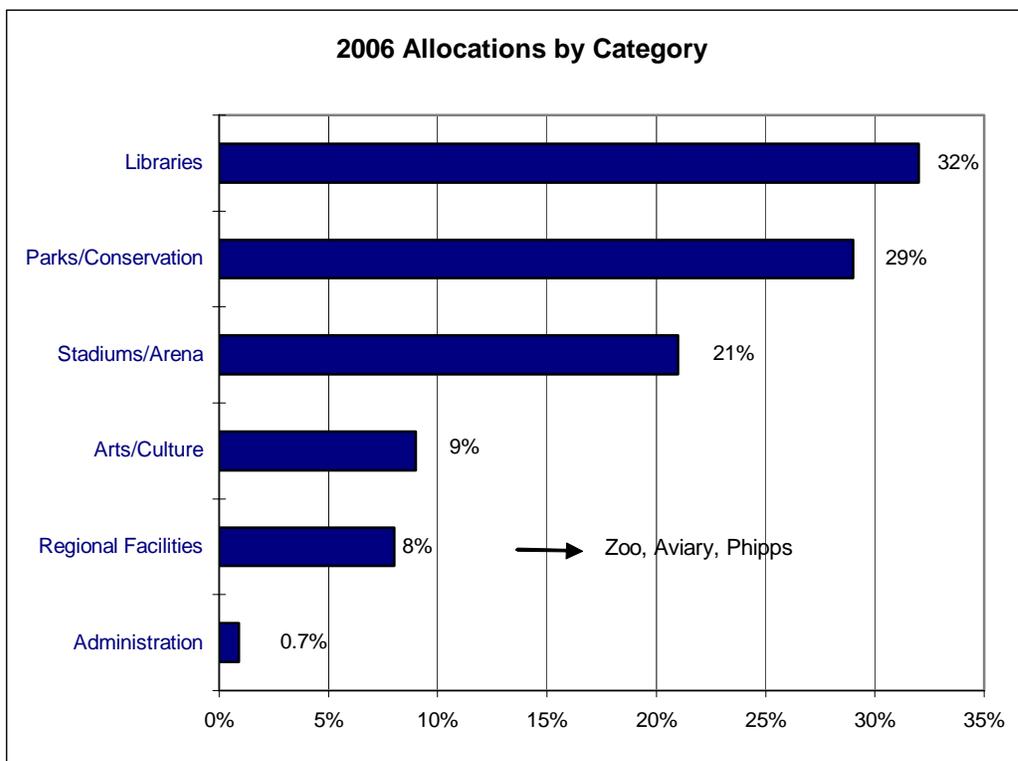
For long range planning purposes, the District is assuming a decrease in tax revenue in 2006. A 2% annual growth in tax is projected after that. This conservative growth plan accommodates the possibility of further economic downturns during the period. The following chart illustrates the tax projection.



In 2002, the Board adopted a target balance for its reserve fund of 15% of its annual tax revenue. It also decided to decrease the reserve to that level in steps over a series of years in order to accommodate serious shortfalls of revenue in any one year. Based on 2005 revenue, the target level is \$11.25 million. The proposed budget would utilize \$1.2 million in additional reserve funds bringing it to \$14.8 million at the end of 2006.

Allocations

Out of a total allocation budget of \$74.6 million, the District is proposing to allocate \$53.6 million to contractual assets, \$4.6 million to civic and cultural facilities and programs through annual grants, \$15.8 million to multi-year assets and \$568,900 to administration. The operating grants amount to \$73.1 million or 98% of the budget while capital grants amount to \$1.5 million or 2% of the budget. Administrative costs, are less than 1% of the allocations. The chart below illustrates the various functions supported by the allocations. In addition to the nine contractual assets and two multi-year grants to the Sport and Exhibition Authority, 70 other entities are proposed for funding.



Budget Process and Policy Objectives

The preparation of this preliminary budget follows an application process, which included public announcements and meetings, distribution of 150 application forms and evaluation of 101 eligible requests. Applicants were given the opportunity to make a presentation to the Board of Directors during fifteen hours of public review sessions.

The Board adopted a set of goals and priorities for evaluating the annual grant requests.

- To sustain and enhance the growth and quality of a diverse group of well managed and financially sound District based regional assets programming in areas funded by the District.
- To extend the benefits of asset programming to the widest possible audience.
- To encourage the involvement of young people as both audience and participants in asset activities.

Applicants were evaluated in four areas:

- Management capacity including an active and involved board, realistic measurable goals and progress toward meeting the goals, efforts to diversify and maximize resources
- Financial stewardship including accurate and timely financial reporting, operating within a balanced budget, diversification of revenue, utilization of cash flow monitoring and ability to deal with financial stress (e.g. available cash reserves, low debt.)
- Programming including scheduled quality programming, outreach and audience development
- Diversity including board, staff and programming

The proposed allocations follow the District's policy objectives:

1. Utilizing current revenues to fund "current costs." Stated another way, current year tax and interest income covers 98% of operating grants, mandatory capital grants and administration of the District. The recommendation is that the District utilize its reserve in order to maintain operating grants to key regional assets.
2. Emphasizing the original purpose of the District which was to take all or a portion of the support for major regional assets away from the real estate tax burden and, where possible, to enhance participation in public-private partnerships. Assets previously or currently funded by property taxes from county and/or municipal governments would receive 94% of the proposed allocations.
4. Presenting a balanced program of funding major regional facilities and programs as well as small and medium sized organizations including those which recognize the community's diverse makeup.

Following is a listing and then a description of each recommended grant:

2006 Grants

	<i>Operating/Capital</i>	<i>Notes</i>
<i>Contractual</i>		
Allegheny County Library Association	\$7,663,500	
Allegheny County Regional Parks	\$14,181,000	
County Parks Capital	\$729,000	Projects include construction of skateboard parks, restroom and shelter rehab, playground equipment, and North Park Lake improvements.
Carnegie Library of Pittsburgh	\$16,435,000	
Carnegie Museums of Pittsburgh	\$2,626,500	
City of McKeesport Regional Park	\$661,150	Includes \$80,000 for projects: band shell restoration, walking trail, parking resurfacing and recreation facility improvements
City of Pittsburgh Regional Parks	\$4,475,300	
City Parks Capital	\$729,000	Projects include maintenance building construction, tennis court rehab, pool repair, wall, step repair and repaving, soccer field construction.
National Aviary	\$1,006,500	
Phipps Conservatory and Botanical Garden	\$1,979,900	
Pittsburgh Zoo and PPG Aquarium	\$3,115,550	
<i>Total – Contractual</i>	<i>\$53,602,400</i>	

<i>Muti Year</i>		
SEA - RDFP (Stadium Bond Issue)	\$13,400,000	
SEA - Arena Bond Issue	\$2,400,000	
<i>Total Multi Year</i>	<i>\$15,800,000</i>	
<i>Annual Grants</i>		
African American Cultural Center	\$275,000	
Afro-American Music Institute	\$15,000	
Allegheny Land Trust	\$100,000	
Alle-Kiski Valley Historical Society	\$4,000	
Audubon Society of Western PA	\$20,000	
Avonworth Municipal Authority	\$30,000	
Bulgarian Nat. Educ. & Cult. Ctr.	\$3,500	
Calliope	\$7,500	
Chatham Baroque	\$8,000	
Children's Festival Chorus	\$9,000	
Children's Museum of Pittsburgh	\$150,000	

City Theatre Company	\$75,000	
Community Theater Proj. Corporation	\$15,000	
Dance Alloy	\$20,000	
Edgewood Symphony	\$3,200	
Frick Art & Historical Center	\$31,000	
Gateway to the Arts	\$30,000	
Gemini Theater Company	\$2,500	
Greater Pgh. Arts Council	\$60,000	
Historical Society of Western PA	\$325,000	
Jazz Workshop	\$9,500	
Kuntu Repertory Theatre	\$45,000	
Manchester Craftsmen's Guild	\$125,000	
Mattress Factory	\$40,000	
McKeesport Symphony Society	\$8,500	
Mendelssohn Choir of Pittsburgh	\$10,000	
Nego Gato	\$2,500	
New Horizon Theater	\$15,000	

North Pittsburgh Philharmonic	\$2,500	
Open Stage Theatre	\$3,000	
Opera Theater of Pittsburgh	\$8,000	
Pittsburgh Ballet Theatre	\$100,000	
Pittsburgh Camerata	\$2,500	
Pittsburgh Center for the Arts	\$75,000	\$25,000 of grant contingent on completion of merger with Pittsburgh Filmmakers.
Pittsburgh Chamber Music Society	\$8,000	
Pittsburgh Civic Light Opera	\$100,000	
Pittsburgh Civic Orchestra	\$2,250	
Pittsburgh Concert Chorale	\$4,000	
Pittsburgh Cultural Trust	\$600,000	
Pittsburgh Filmmakers	\$100,000	\$25,000 of grant contingent on completion of merger with Pittsburgh Filmmakers
Pittsburgh Glass Center, Inc.	\$15,000	
Pittsburgh Int'l Children's Theater	\$20,000	
Pittsburgh Irish & Classical Theater	\$10,000	
Pittsburgh Musical Theater	\$40,000	
Pittsburgh New Music Ensemble	\$5,000	
Pittsburgh Opera, Inc.	\$110,000	

Pittsburgh Public Theatre	\$110,000	
Pittsburgh Symphony Society	\$1,000,000	
Pittsburgh Voyager	\$15,000	
Pittsburgh Youth Symphony	\$8,000	
Prime Stage	\$8,000	
Quantum Theatre	\$8,000	
Renaissance & Baroque Society	\$8,000	
Renaissance City Choirs	\$4,000	
Renaissance City Wind Society	\$3,500	
River City Brass Band	\$90,000	
Saltworks Theatre Company	\$20,000	
Silver Eye Center for Photography	\$8,000	
Society for Contemporary Craft	\$45,000	
Soldiers & Sailors Memorial Hall	\$200,000	
South Hills Chorale	\$4,500	
South Park Theatre	\$7,500	
Srishti Dances of India	\$3,000	
Sweetwater Center for the Arts	\$25,000	

Three Rivers Young Peoples Orch.	\$10,000	
Tuesday Musical Club	\$4,000	
UMOJA	\$7,500	
Township of Upper St. Clair Regional Park	\$275,000	
Western Pennsylvania Conservancy	\$100,000	
Xpressions Contemporary Dance Co.	\$5,000	
<i>Total Annual</i>	\$4,613,450	
Administration	\$568,900	

Allocation Descriptions

Contractual Assets

ALLEGHENY COUNTY LIBRARY ASSOCIATION

\$7,663,500 (Operating)

The Allegheny County Library Association (ACLA) is a consortium of 43 member libraries that have joined to promote sharing of library services and resources. The Association is proposing to distribute the funds based on a formula that takes into account local support, population and service levels. The formula and distribution is subject to District Board approval. Funds support bookmobile service and a countywide electronic information network that links catalogs of county libraries and provides access to the Internet.

CARNEGIE LIBRARY OF PITTSBURGH

\$16,435,000 (Operating)

The Carnegie Library of Pittsburgh serves not only as the principal library for the city and many non-city residents, but also as a district center and one of four resource libraries in the State of Pennsylvania. The Library is coordinating the electronic information network among libraries in the county. Carnegie Library's proposed 2006 operating budget is \$21.9 million. The District's funds would be used for general operating support.

THE CARNEGIE MUSEUMS

\$2,626,500 (Operating)

The Carnegie Institute includes the Museum of Art, the Museum of Natural History, the Carnegie Science Center, the Andy Warhol Museum and the Music Hall. The proposed 2006 operating budget of the Carnegie Museums is \$32.8 million.

District operating funds would be used for general operating purposes.

CITY OF MCKEESPORT - RENZIEHAUSEN PARK

\$661,150 (Operating)

The City of McKeesport operates a 257-acre park, which is made up of various natural settings, recreational fields and facilities and a heritage center. The proposed 2006 operating budget for Renzie Park is \$786,000.

The District's operating funds are used to support the general operation of the park, including such items as salaries, materials and repairs. Funds would also be used for band shell rehabilitation, trail upgrades, equipment and parking improvements.

CITY OF PITTSBURGH - REGIONAL PARKS

\$4,475,300 (Operating) \$729,000 (Capital)

Four of the City's parks qualify as regional parks under the District Act - Frick, Highland, Riverview and Schenley. These parks have a mixture of natural venues as well as recreational facilities. The proposed 2006 operating budget for the four regional parks is \$8.1 million.

The District's operating funds would be used to support the general operations of the parks, including such items as salaries, materials and repairs. Capital funds would be used for several projects including tennis court rehabilitation, maintenance facility construction, pool repairs, shelter and playground rehabilitation, wall, fence and step repair, resurfacing in various regional parks, and soccer field construction.

COUNTY OF ALLEGHENY - REGIONAL PARKS

\$14,181,000 (Operating) \$729,000 (Capital)

Allegheny County operates nine regional parks, which comprise nearly 12,000 acres and include natural settings, picnic areas, recreational facilities and fields. The proposed 2006 budget for the parks is \$21.9 million.

The District's operating funds would be used to support the general operation of parks, including such items as salaries, materials and repairs. The capital funding is required by the Act to be at least 1% of tax revenue. Capital funds would be used for skateboard park construction, shelter rehabilitation, restroom construction in various parks and North Park Lake dredging.

THE NATIONAL AVIARY IN PITTSBURGH

\$1,006,500 (Operating)

Once part of the City's park system, the Aviary began operations as a private non-profit organization on July 1, 1992, under a 25-year lease agreement with the City of Pittsburgh. The Aviary has 500 birds representing various continents and houses them in a facility located in West Park. The Aviary's proposed 2006 operating budget is \$2.6 million.

The District's operating funds would be used to support the general operations of the facility including salaries, utilities and repairs.

PHIPPS CONSERVATORY and BOTANICAL GARDENS

\$1,979,900 (Operating)

Phipps Conservatory consists of 13 interconnected exhibition buildings offering 43,000 square feet of under-glass exhibit space and another 44,000 square feet in greenhouses and growing areas. Once operated by the City of Pittsburgh's Parks

and Recreation Department, the facility has been leased to Phipps Conservatory Inc. which, took over operations in July 1993. Phipps Conservatory's proposed 2006 operating budget is \$4.8 million.

The District's operating funds would be used to support the general operations of the facility.

THE PITTSBURGH ZOO & PPG AQUARIUM

\$3,115,550 (Operating)

The Pittsburgh Zoo is operated by the Pittsburgh Zoological Society, which took over operations and management at the beginning of 1994. The Zoo sits on 77 acres and is home to 2,400 animals and 346 species. The Zoo's 2006 operating budget is \$12.2 million.

The District's operating funds would be used to support the general operations of the facility including salary and non-salary expenses.

Annual Grants

AFRICAN AMERICAN CULTURAL CENTER

\$275,000 (Operating)

Operating support for coordinating final design for new cultural center to be located in downtown Pittsburgh and for programming in existing space.

AFRO-AMERICAN MUSIC INSTITUTE

\$15,000 (Operating)

This organization trains children and adults in various styles of African-American music, conducts public performances and a summer music camp for youth. Funds would be used for scholarships for disadvantaged youth and program expenses.

ALLEGHENY LAND TRUST

\$100,000 (Operating)

The Land Trust represents eight incorporated nonprofit organizations and several municipalities that sponsor individual trails. Funds would be used for general administrative support and specific trail improvements.

ALLE-KISKI VALLEY HISTORICAL SOCIETY

\$4,000 (Operating)

The Society operates a museum in Tarentum dedicated to preserving and promoting the industrial and cultural heritage of the Allegheny Valley region. Funds are for general operating support.

AUDUBON SOCIETY OF WESTERN PENNSYLVANIA

\$20,000 (Operating)

Funds would support the Society's environmental education program, including outreach efforts. The organization offers programs and services at its Beechwood Farms Nature Reserve, a 143-acre area with five miles of trails, and through outreach to schools to increase the public's environmental literacy.

**AVONWORTH MUNICIPAL AUTHORITY
ACORD PARK**

\$30,000 (Operating)

The Avonworth Municipal Authority, consisting of Ben Avon, Ben Avon Heights, Emsworth Borough and Ohio and Kilbuck Townships, is the joint owner and operator of Acord Park. Operating funds would be used to support maintenance programs.

BULGARIAN NATIONAL EDUCATION & CULTURAL CENTER

\$3,500 (Operating)

Funds would be used to provide educational and cultural programs showcasing the heritage of this ethnic group at a center located in West Homestead.

CALLIOPE: THE PITTSBURGH FOLK MUSIC SOCIETY

\$7,500 (Operating)

This organization preserves and promotes traditional folk music and related art forms in Western Pennsylvania. Funds would be used to support concerts, classes and other programs.

CHATHAM BAROQUE

\$8,000 (Operating)

Funds would be used to support performances, outreach programs and administrative expenses of this organization that performs concerts featuring music of the 17th and 18th centuries.

CHILDREN'S FESTIVAL CHORUS

\$9,000 (Operating)

This organization provides professional choral music training and performance opportunities for musically gifted children. Operating funds would support its concerts and an outreach program with visiting artists.

CHILDREN'S MUSEUM PITTSBURGH

\$150,000 (Operating)

The Museum uses interactive exhibits, artifacts, performances, activities and outreach programs to educate young children and their families. Operating funds would be used for general support.

CITY THEATRE

\$75,000 (Operating)

The organization owns and operates a two-theater complex that produces and stages contemporary plays each season. It sponsors ongoing community outreach projects and educational programs, and offers subsidized tickets to schoolchildren.

Operating funds would support performances and outreach programs.

COMMUNITY THEATER PROJECT

\$15,000 (Operating)

The organization operates the Kelly Strayhorn Theater. Funds would be used to subsidize rental fees for arts programming for small to medium sized arts organizations and for technical and children's outreach programs.

DANCE ALLOY

\$20,000 (Operating)

The Dance Alloy is a professional contemporary dance company. Operating funds would support the company's education and community outreach programs for children, including scholarships.

EDGEWOOD SYMPHONY

\$3,200 (Operating)

The Edgewood Symphony performs symphonic music in the eastern Allegheny County. Funds to support regular season of three subscription concerts and outreach concerts.

FRICK ART AND HISTORICAL CENTER

\$31,000 (Operating)

The Center features Clayton, the restored home of Henry Frick, a free art museum, carriage house, greenhouse and education center. Lectures, concerts and other programs are held in the museum auditorium. Funds would support the organization's community day camp and after-school program, which serves youth in the Frick's neighboring communities and other disadvantaged areas.

GATEWAY TO THE ARTS

\$30,000 (Operating)

The organization presents and tours professional music, dance, mime, opera and theater programs in schools and provides a directory of arts resources for teachers. Funds would be used for administrative and program expenses.

GEMINI THEATER COMPANY

\$2,500 (Operating)

Funds would support six interactive, children's musicals and educational workshops where the children are encouraged to participate in the plays.

GREATER PITTSBURGH ARTS ALLIANCE

\$60,000 (Operating)

This organization is the merger of Pro Arts and the Greater Pittsburgh Arts Alliance. Funds would be used to support ongoing programs that provide technical assistance to small and mid-sized arts organizations.

HISTORICAL SOCIETY OF WESTERN PA

\$325,000 (Operating)

This organization operates the Senator John Heinz Regional History Center in Pittsburgh's Strip District. The Center includes exhibit galleries, a library and archives, classroom space, children's discovery place, and a public resource room. Operating funds would support operating expenses and the development of marketing strategies.

JAZZ WORKSHOP, INC.

\$9,500 (Operating)

The Jazz Workshop provides free public concerts and jazz instrumental lessons for children in urban areas. Funds would be used to support its music education and community outreach programs.

KUNTU REPERTORY THEATRE

\$45,000 (Operating)

Kuntu's mission is to promote cultural and community understanding by providing a venue for African American artists to create and perform theatrical works. Productions are based on the African-American experience. Operating funds would be used for general administrative support.

MANCHESTER CRAFTSMEN'S GUILD

\$125,000 (Operating)

This organization provides visual art exhibitions, lectures, workshops and concerts, including a jazz series. Its arts education programs serve disadvantaged youth. Funds would support the Guild's art education programs.

MATTRESS FACTORY

\$40,000 (Operating)

This museum commissions, presents and collects site-specific installation art. The pieces are developed by the artist while in residency at the organization. Operating funds would support the organization's education programs.

MCKEESPORT SYMPHONY SOCIETY

\$8,500 (Operating)

The Orchestra performs at various locations in and outside of the Mon Valley. Funds would support concerts, recitals, school performances and outreach programs.

MENDELSON CHAIR

\$10,000 (Operating)

The Choir offers choral training, education programs and performance opportunities with the Pittsburgh Symphony. The touring company also presents independent performances. Funds would be used to support its performance season.

NEGO GATO

\$2,500 (Operating)

The mission of Nego Gato is to enrich the community through performance and education of the African-Brazilian arts of music and dance. Funds would be used to support educational outreach programming.

NEW HORIZON THEATER

\$15,000 (Operating)

The Theater Company presents plays about the African-American experience to celebrate and preserve that experience. Funds would support the organization's 2005-2006 performance season.

NORTH PITTSBURGH PHILHARMONIC

\$2,500 (Operating)

The Symphony, which has brass and string ensembles as well as a flute trio, plays classical and contemporary music. Funds would support its annual and outreach concerts as well as related programs.

OPEN STAGE THEATRE

\$3,000 (Operating)

Funds would support the 2005-06 season of four classical and contemporary plays performed in their theater in the Strip District and for general administrative expenses.

OPERA THEATER OF PITTSBURGH

\$8,000 (Operating)

Funds would support this opera company's educational programs, mainstage productions and outreach concerts. The organization provides an opportunity for emerging opera and vocal talents to engage in mainstage and other performances.

PITTSBURGH BALLET THEATRE

\$100,000 (Operating)

The Ballet's season consists of 28 performances at the Benedum Center and free performances in county parks. Requested funds would support the arts education and outreach programs of this ballet company.

PITTSBURGH CAMERATA

\$2,500 (Operating)

Funds would be used for operating support for this a cappella choral group. The 05-06 season includes ten performances in Oakmont and Highland Park.

PITTSBURGH CENTER FOR THE ARTS

\$75,000 (Operating)

Operating support for general operations, exhibitions and classroom activities. The Center offers classes in various artistic disciplines, mounts exhibitions, sells artwork of regional and national artists, and provides outreach programs.

PITTSBURGH CHAMBER MUSIC SOCIETY

\$8,000 (Operating)

Besides its concert series, the Society brings ensembles to schools, universities and community venues. Funds would be used for audience development, community outreach and its annual concert series.

PITTSBURGH CIVIC LIGHT OPERA (CLO)

\$100,000 (Operating)

In addition to conducting more than 100 performances at the Benedum Center and Byham Theater, the CLO tours and operates an Academy of Musical Theater. It provides musical theater training, and education and outreach programs. Funds would support the organization's 2005 season and related education and outreach programs.

PITTSBURGH CIVIC ORCHESTRA

\$2,250 (Operating)

Funds would support outreach program of orchestra including school visits, side by side performances with young musicians and general expenses.

PITTSBURGH CONCERT CHORALE

\$4,000 (Operating)

Funds would support the pop concerts of this 80-person chorus that sings traditional and contemporary works at various community locations.

PITTSBURGH CULTURAL TRUST

\$600,000 (Operating)

The Trust manages several theaters and a gallery in Pittsburgh's Cultural District, and sponsors cultural programs. It is actively involved in the creation and development of an arts and entertainment district. Operating funds would be used to support the Trust's programming, the Dance Council and facilities management efforts.

PITTSBURGH FILMMAKERS

\$100,000 (Operating)

This nonprofit media arts center supports photography, video and film art with exhibits, film presentations, low cost equipment rentals, studios and classes. Operating funds would support the organization's ongoing programs.

PITTSBURGH GLASS CENTER

\$15,000 (Operating)

Operating funds for administrative and marketing costs for glass making studio and exhibit facility located in the Penn Avenue arts district.

PITTSBURGH INTERNATIONAL CHILDREN'S THEATER

\$20,000 (Operating)

This organization presents children's dance, music, theater, opera, puppetry, mime and special events throughout Allegheny County. Funds would support its family theater series, outreach programs and workshops, including free tickets to underserved residents.

PITTSBURGH IRISH AND CLASSICAL THEATRE
\$10,000 (Operating)

Operating support for theater organization which concentrates on works by Irish and classical English playwrights. A 6-play season is planned for 2006 season.

PITTSBURGH MUSICAL THEATER
\$40,000 (Operating)

Operating support for theater company's 2005-2006 performances, educational programs and marketing.

PITTSBURGH NEW MUSIC ENSEMBLE
\$5,000 (Operating)

Operating funds for 2006 season. Ensemble has transformed into a summer only season with a smaller core of ensemble musicians and guests performing contemporary music.

PITTSBURGH OPERA
\$110,000 (Operating)

Operating funds would support the Opera's 2005-2006 season of four operas with 16 performances and opera-related programs.

PITTSBURGH PUBLIC THEATER
\$110,000 (Operating)

Theater stages seven productions annually and provides education and outreach programs. Funds would support general operating expenses, including community outreach efforts.

PITTSBURGH SYMPHONY SOCIETY
\$1,000,000 (Operating)

Known internationally, the Symphony performs concerts and conducts a major outreach program for young people and underserved audiences. Operating funds would support its performance season and outreach programs.

PITTSBURGH VOYAGER
\$15,000 (Operating)

Operating funds for scholarships for youths and senior citizens. Pittsburgh Voyager is a traveling navy vessel used for environmental education programs.

PITTSBURGH YOUTH SYMPHONY ORCHESTRA
\$8,000 (Operating)

The Orchestra provides classical music education opportunities for young people. Funds would support the organization's 2005-2006 season, including four free concerts.

PRIME STAGE
\$8,000 (Operating)

Funds would support this performing arts organization that produces theater specifically for adolescents, provides and mentoring program and commissions new plays for and by teenagers.

QUANTUM THEATRE
\$8,000 (Operating)

Operating support for 2006 season for theater company that combines local and national talent to produce challenging works.

RENAISSANCE & BAROQUE SOCIETY
\$8,000 (Operating)

The Society's focus is the presentation of "early" music including medieval, renaissance, baroque and early classical music. Funds would support ongoing outreach and education programs.

RENAISSANCE CITY CHOIRS

\$4,000 (Operating)

Founded in 1984, its men's and women's choirs perform a three concert series. Funds would be used for general operating expenses.

RENAISSANCE CITY WIND MUSIC SOCIETY

\$3,500 (Operating)

Funds would support this chamber music group's concerts, outreach programs, educational programs, radio broadcasts and new works. The Society performs in architectural landmarks, has a concert series and tours outside the region.

RIVER CITY BRASS BAND

\$90,000 (Operating)

The Band performs 56 concerts in eight community locations in Allegheny County as well as Westmoreland and Cambria counties. It also conducts school performances. Operating funds would support the regional concert series of the Band.

SALTWORKS THEATRE COMPANY

\$20,000 (Operating)

The Company presents theatrical performances and educational programs that address social issues affecting young people. Funds would be used for general operating support.

SILVER EYE CENTER FOR PHOTOGRAPHY

\$8,000 (Operating)

The Center presents photography exhibitions, including commercial, digital and landscape works, and offers educational programs related to the field. Funds would support general operating expenses and audience development efforts.

SOCIETY FOR CONTEMPORARY CRAFT

\$45,000 (Operating)

The Society's art form is craft materials: ceramic, glass, wood, metal and fiber. Its exhibits are free to the public. Funds would support ongoing programs, including exhibitions, educational programs, and community outreach.

SOLDIERS AND SAILORS MEMORIAL HALL

\$200,000 (Operating)

Over 100 years old, the complex consists of a museum and library about men and women of the armed forces as well as a performance hall and meeting facilities. The museum also collects important manuscripts and records about local military service. The District's operating funds would be used to support the operations of the museum.

SOUTH HILLS CHORALE

\$4,500 (Operating)

Funds would support 2005-2006 season and general administrative expenses for volunteer singers that perform in concert and at numerous charitable facilities throughout the area.

SOUTH PARK THEATRE

\$7,500 (Operating)

Funds will be used in the production and promotion of stage performances and educational programs for children.

SRISHTI DANCES OF INDIA

\$3,000 (Operating)

Founded in 1995 to disseminate India's cultural heritage through the general public through performances of Indian dance, music, theater, workshops and exhibits. Funds would support general operating expenses.

SWEETWATER CENTER FOR THE ARTS

\$25,000 (Operating)

Sweetwater provides educational programs in visual, design, performing, decorative and production art in Pittsburgh's western, northern and southern suburbs. In addition, it offers classes in cuisine, poetry, language, horticulture and general interest subjects. The operating grant would support administrative expenses.

THREE RIVERS YOUNG PEOPLES ORCHESTRAS

\$10,000 (Operating)

The orchestras provide musical training and performance opportunities for young people, ages 8 to 18. Funds would be used for general operating support.

TUESDAY MUSICAL CLUB

\$4,000 (Operating)

The organization, founded as an outlet for women musicians, is 116 years old. Its classical music recitals, operas and programs are presented throughout Allegheny County and are free to the public. The group also provides scholarships for high school music students. Funds would support administrative and program expenses.

UMOJA

\$7,500 (Operating)

UMOJA's programs include African drumming, dance, gospel, storytelling, drama, contemporary music and ballet. Its mission is to use the arts to teach others

about Africa's history, culture and traditions. Funds would be used for operating support.

UPPER ST. CLAIR TWP. REGIONAL PARK

\$275,000 (Operating)

Funds would be used to support this 470 acre Boyce/Mayview park area located in Upper St. Clair. A master plan for the park was completed in 1999. The park will be a combination of active and passive recreation facilities including trails and a nature center.

WESTERN PENNSYLVANIA CONSERVANCY

\$100,000 (Operating)

The organization plants, and with volunteer support, maintains flowerbeds throughout the region. District operating funds would be used to maintain 117 existing community floral beds in Pittsburgh and Allegheny County.

XPRESSIONS DANCE COMPANY

\$5,000 (Operating)

Funds would support performances of this African American dance company founded in 1996.

Multi Year Assets

SPORTS AND EXHIBITION AUTHORITY - Mellon (Civic) Arena

\$2,400,000 (Operating)

The grant would be used to defray the debt service on bonds issued for renovations to the Mellon Arena, a publicly owned sports and exhibition center. These costs would otherwise be the responsibility of Allegheny County and the City of Pittsburgh.

**SPORTS AND EXHIBITION AUTHORITY -
Regional Destination Financing Plan**
\$13,400,000 (Operating)

The grant supports the debt service on bonds issued for the construction of two new professional sports stadiums and the David L. Lawrence Convention Center. The grant pays debt service on the new bond issue as well as debt outstanding on the former stadium.

2006 Budget
General Fund – Administrative Budget

The administrative budget pays for the staff, office and related costs from a separate fund. Under Act 77, the District may spend no more than 1% of the annual tax revenue for administrative costs. Funding for the proposed budget comes from an allocation from the 2006 grant budget with the balance from interest earning and surplus funds from prior years. Following is a detail of the budget and narratives of the various items.

Category	2006 Budget
Salaries	\$302,000
Social Security Tax (FICA)	\$21,950
State Unemployment Tax (SUTA)	\$1,100
Life/disability Insurance	\$6,500
Health Benefits	\$64,000
Retirement (Money Purchase Plan)	\$22,700
Mileage/Travel/Expenses	\$4,000
Advertising (Legal Notices)	\$2,000
Office Supplies	\$7,000
Printing	\$19,000
Legal Services	\$28,000
Postage/Mailing Charges	\$4,000
Equipment	\$5,100
Rent	\$28,500
Payroll and Bank Charges	\$1,200
Audit Services	\$12,500
Telecommunications	\$3,200
Insurance	\$11,200
Contracted Services	\$14,450
Memberships	\$500
Access and Opportunity Program	\$10,000
Total	\$568,900

Salaries **\$302,000**

Provides for 2-3% salary increases based on continued satisfactory evaluation.

Fringe Benefits

Social Security (FICA)	\$ 21,950
Unemployment Compensation (SUTA)	\$ 1,100
Life and Disability	\$ 6,500
Health/Dental/Vision	\$ 64,000

Health plan costs have increased due to 30% premium increase. A similar increase is anticipated in July of 2006. Employee contributions would be set at 15% of premium effective 1/1/06.

Retirement (Money Purchase Plan)	\$ 22,700
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District has a contract with PRINCIPAL Group and deposits 7% of gross salary each year. Also includes administrative fee for filing government reports.

Mileage/Travel/Expenses **\$ 4,000**

For payment of staff mileage, travel expenses and expenses associated with conducting site visits.

Advertising (Legal Notices) **\$ 2,000**

For required meeting notices for Board and Advisory Board as well as notices on budget process, help wanted ads if required, access and opportunity policy ads.

Office Supplies **\$ 7,000**

Printing **\$ 19,000**

Production of annual report, brochures, RADical Days schedules and other material.

Legal Services **\$ 28,000**

For payment of services of Chief Counsel.

Postage/Mailing Charges **\$ 4,000**

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Equipment **\$ 5,100**

Includes copier rental/maintenance fees, postage meter rental and placement of equipment as needed.

Rent **\$ 28,500**

Base office rent plus annual adjustment for cleaning, utilities, meeting room rental. Assumes renewal of current lease.

Payroll and Bank Charges

Fees for contracted payroll service and bank service charges \$ 1,200

Audit Services \$ 12,500

Annual audit and agreed upon procedure audits ordered by Board.

Telecommunications \$ 3,200

Includes phone charges and DSL line.

Insurance \$ 11,200

Assumes renewal of comprehensive package on liability, theft, dishonesty, fire etc.

Contracted Services \$ 14,450

Graphics/Web	\$8,450
Computer Programming	\$5,000
Record Storage	\$1,000

Memberships \$ 500

Professional associations such as the American Library Association, Government Finance Officers etc.

Access and Opportunity Program \$ 10,000

This program carries out the Board's Access and Opportunity Policy. It provides funds to support organization that enhance the development of minority and women owned businesses, provides small grants for seminars and for the annual trade fair expenses.