The Board of Directors met at 5:00 PM on Wednesday, June 3, 2009 at the Regional Enterprise Tower, Hunt Conference Room. Present were: Chair, Ms. Dusty Kirk, Mr. Dan Griffin, Mr. Rob Jones, Dr. Herman Jones, Mr. Rick Pierchalski, Mr. Stan Parker, Ms. Connie Yarris, Chief Counsel Jim Norris, Executive Director David Donahoe and staff as well as members of the public. Notice of the meeting and the agenda was published in accordance with the Act and By-laws and posted on the ARAD Website.

Public Comment/Hearing Period

As required by law, Ms. Kirk opened the meeting for public comment prior to proceeding with the agenda. As there were no people signed up to speak Ms. Kirk proceeded with the board meeting.

Minutes

The first item on the agenda was consideration of the minutes from the meeting of April 27, 2009, which was previously distributed to the board. As there were no corrections, Mr. Pierchalski motioned for approval with Ms. Yarris seconding and the minutes were approved unanimously.

Treasurer’s Report

Ms. Kirk called on Mr. Parker to give the following report:

Board Members:

The District received $6.8 million in sales tax revenue in May. This revenue results from sales that took place for the most part in March and was essentially equal to the revenue received in May of last year.

Tax revenue through May totaled $32.8 million or 1.2% less than the same period in 2008. The Allocations Committee will have additional information and analysis in their report later in the meeting. Payments from the grant fund through May were $30.5 million, not including the 10% withheld from all payments.

The Executive Committee reviewed the status of the administration fund during May. As of now all line items are in balance with initial projections. Savings in the administrative budget will accrue to the benefit of the grant fund.

The District’s monthly financial reports continue to be posted on line as are annual audits for the last three years.

Submitted by
Stan Parker, Treasurer
As there were no questions from the board, Ms. Kirk stated that this report will be received and filed.

**Allocations Committee Report**

The Chair reported that this evening the 2010 budget process is being launched. The Allocations Committee, assisted by staff, has been working on preparing the calendar and guidelines and has a report on their recommendations for the 2010 budget process as well as the status of the 2009 budget. Mr. Pierchalski was asked to give the following report:

Board Members:

Before reporting on the 2010 budget guidelines, we want to bring members current with respect to the 2009 budget.

Just today we received the preliminary report on June revenue representing sales that took place in April. Tax revenue is estimated to be $6.2 million, about 7.7% lower than June of last year.

The June report is troubling and a little surprising. The 7.7% decrease is the largest drop in month to month sales tax ever experienced by the District and comes after several months of revenue holding even with the prior year. The state experienced an extraordinary 12% drop in sales tax revenue for the month compared to the prior year.

Despite some recent optimism, a good deal of uncertainty remains in the economy and certainly among retail consumers. Given this, the committee recommends that the District review both the actual June revenue when received next week as well as the July revenue before deciding on how to approach the remainder of 2009. No withheld funds would be released before July 15th in any event so the additional month review will have no impact on potential payments. Arrangements will have to be made for the Board to meet in early July or to delegate authority to the committee to deal with the 2009 issue.

Our region fared better than others during the early part of the downturn but it cannot be immune from major dislocations taking place in the automotive, housing and other sectors. Assets need to continue to monitor costs and to consider cost saving and cost sharing opportunities.

Moving to next year, we are submitting for your consideration the outline of the 2010 budget process. The booklet prepared for you includes a calendar and the draft applications for contractual, annual and connection grants.

The committee is not recommending changes in the eligibility or evaluation guidelines for the coming year. Given the fiscal outlook we are recommending that the discretionary capital grant program remain closed for 2010 except for parks and trails, a large segment of which is required to be funded by the statute.

The committee also believes that this is the time for the District to invite applications for connection project grants and recommends a $250,000 allocation for this program in the coming year. This new category is designed to provide one time grants to assist assets in the initiation or completion of projects to share and lower operating costs. Investments in these efforts now can lead to sustaining asset service to the public.

Economic reports suggest that 2010 will, at best, be a flat year for economic growth. Therefore, except as required by contract or law, prior funding levels will not be a guarantee of allocations for the coming year. We expect applicants to file reasonable, realistic requests demonstrating they
have the ability to deal with economic stress and will continue to offer quality programming to the public.

The attention we have paid to finances in our recent reports is not due to its singular importance. As outlined in our annual report to the public, 2008 was a record setting year for the District and the assets in terms of facility and program development. That accomplishment needs to be celebrated even as we work to deal with the challenges before us.

Several months ago the District crossed a financial milestone with grants paid out topping $1 billion. More important than the dollars is the record of progress made by this investment. Imagine where our libraries, parks, recreational and cultural facilities would be if they had to face today’s economic realities without RAD as a partner.

The committee believes that the 2010 program outlined in these documents emphasizes the Board’s duty to preserve a group of quality, well-managed and diverse regional assets and encourages them to consider how to respond to economic realities. We look forward to working with the Board and applicants during the coming months and move the adoption of the recommendations outlined in the documents and in this report.

Submitted by,
Allocations Committee
Dan Griffin, Stan Parker and Rick Pierchalski

Mr. Pierchalski added that the committee wanted to look at May sales figures before making a final determination on 2009 spending. He stated the concern of the committee was that the downward trend would continue in 2010. Mr. Pierchalski stressed that RAD spending is still well within budget because the board had projected a 5 percent decrease in income this year. Mr. Pierchalski also said that even though our region fared better than most, assets need to continue to monitor costs and to consider cost-saving and cost-sharing opportunities.

Ms. Yarris complimented the Allocations Committee for creating the Connection Grants. Ms. Kirk said the Connections grant was created to help preserve the assets by saving on administration costs.

The Chair then asked the board whether they wanted to hold a special meeting in July or delegate the decision on the release of grant balances to the Allocations Committee. Counsel Jim Norris added that email or conference call would not work in place of a meeting. Mr. Pierchalski said that he believed the decision was of significant importance and required the whole board’s participation. The chair ruled that the board would be surveyed for the best date to hold a special meeting.

In response to questions from the Chair and Ms. Yarris, Mr. Griffin explained that the committee expected that all available reserves would be needed for operating grant purposes so there was no reason to solicit discretionary capital grant requests. The Chair noted that operating funds could be used for capital projects. The Connection Grants were viewed as an important investment to sustain asset service to the public.

Mr. Pierchalski then motioned for approval of the report of the Allocations Committee with Ms. Yarris seconding. The report was approved unanimously.
Executive Committee Report

The Chair asked Mr. Griffin to give the following report:

Board Members:

The District has received the renewal of its employee group health insurance coverage for the year beginning July 1, 2009. For the first time in a while the increased premium costs is substantially below budget, coming in at 9.7%. The budget assumption was that there would be a 20% increase.

Included in the renewal is a change in the co pay for prescription drug coverage from $20 to $30.

Currently District employees pay 15% of the premium costs for coverage. This was increased several years ago from a historic level of 10%. Given the budget savings achieved this year and in light of the higher level of employee co pay, the Executive Committee is recommending that the Board set the employee rate of participation back at 10% for the coming year and until changed by the Board. District staff will still be paying substantially more than city, county or state employees toward health care coverage.

If accepted the change would require an additional $2,463 from the 2009 budget, which is more than offset by the savings achieved from the premium break.

Submitted by the Executive Committee

Dusty Kirk, Dan Griffin, Stan Parker

Mr. Rob Jones motioned for approval with Mr. Griffin seconding the motion. The vote was unanimous in favor of the recommended change.

Executive Director’s Report

The Chair called on Mr. Donahoe to give his report. Mr. Donahoe presented the new “Right to Know Policy”, which was drafted by Counsel Jim Norris so that the District would be in compliance with the state law. Mr. Donahoe said that the District had always acted under the principles of the policy so there would be no substantive change in procedure. Mr. Norris responded to Mr. Rob Jones’ question that an extensive right to know policy is now a requirement.

Mr. Rob Jones motioned approval of the new right to know policy with Ms. Yarris seconding the motion and the Board voted unanimously to approve the following policy:

POLICY REGARDING ACCESS TO PUBLIC RECORDS

Purpose

The purpose of this policy is to insure compliance with the Pennsylvania Right-to-Know Law, 65 P.S. § 66.1 et seq., as amended, to provide access to the public records of the Allegheny Regional Asset District (“RAD”), to preserve the integrity of RAD’s records, and to minimize the financial impact to the residents of Allegheny County regarding the resources utilized in the receipt and processing of public record requests and the retrieval and copying of public records.
Policy

A. It is the policy of RAD to require the presence of a designated employee when public records are examined and inspected and to charge reasonable fees for duplication of public records of RAD. RAD designates the Executive Director as the Right-To-Know Officer (“RTK Officer”). The RTK Officer has four specific tasks required under the Pennsylvania Right-to-Know Law:

(1) The RTK Officer receives the requests submitted to RAD. When the request is received by the RTK Officer, he must (i) note the date of receipt on the written request; (ii) compute the day on which the 5-day period will expire and make a notation of that date on the written request; and (iii) maintain an electronic or paper copy of the request, including all documents submitted with the request until the request has been fulfilled. If the request is denied, the written request must be maintained by the RTK Officer for thirty (30) days or, if an appeal is filed, until a final determination is issued or the appeal is deemed denied;

(2) The RTK Officer may direct the requests to other appropriate persons within RAD or to appropriate persons in another agency.

(3) The RTK Officer tracks RAD’s progress in responding to the requests.

(4) The RTK Officer issues interim and final responses under the Right-To-Know Law.

B. All requests for public records of RAD under this policy shall be specific in identifying and describing each public record requested. In no case shall RAD be required to create a public record which does not exist or to compile, maintain, format or organize a public record in a manner in which RAD does not currently compile, maintain, format or organize the public record. If the requester desires to pursue the relief and remedies provided for in the Right-To-Know Law, then the request for public records must be submitted in writing and on a form provided by RAD as attached hereto, entitled “Public Record Review/Duplication Request” and include the name and address to which the RTK Officer should address his response.

C. The RTK Officer shall make a good faith effort to determine whether each record requested is a public record.

D. The RTK Officer shall respond to the requester within five (5) business days from the date of receipt of the written request. If RAD does not respond within five (5) business days of receipt thereof, the request is deemed denied.

E. The response provided by the RTK Officer shall consist of (1) approval for access to the public record; (2) review of the request by RTK Officer; or (3) denial of access to the public record requested.

F. If access to a public record requested is approved, the public record shall be available for access during the regular business hours of RAD. The designated employee shall cooperate fully with the requester, while also taking reasonable measures to protect RAD’s public records from the possibility of theft and/or modification. The presence of a designated employee is required when public records are reviewed and examined.

G. Fees:

(1) Duplication: Fees for duplication by photocopying, printing from electronic media or microfilm, copying onto electronic media, transmission by facsimile or other electronic means and other means of duplication of public records shall be as established by the Office of Open Records.

(2) Certified copies: 20 cents per page
(3) Postage: Actual cost to RAD of mailing the public record. RAD may, in its discretion, waive fees.

H. In the event the estimated cost of fulfilling a request submitted under this policy is expected to exceed $100.00, the RTK Officer shall obtain 100% of the expected cost in advance of fulfilling the request to avoid the unwarranted expense of municipal resources.

I. If the request is being reviewed, the notice provided by the RTK Officer shall be in writing and include the reason for the review and the expected response date, which shall be within thirty (30) days of the notice of the review, and an estimate of applicable fees when the record becomes available. If the RTK Officer does not respond within thirty (30) days thereof, the request is deemed denied. Review of the request is limited to situations where:

1. The record requested contains information which is subject to access, as well as information which is not subject to access that must be redacted prior to a grant of access. The redacted information is considered a denial as to that information;
2. The record requires retrieval from a remote location;
3. A timely response cannot be accomplished due to staffing limitations;
4. A legal review is necessary to determine whether the record requested is a public record;
5. The requester has failed to comply with RAD’s policy and procedure requirements;
6. The requester refuses to pay the applicable fees; or
7. The extent and nature of the request precludes a response within the required time period.

J. If access to the record requested is denied, the notice provided by the RTK Officer shall be in writing and shall include:

1. A description of the record requested;
2. The specific reasons for the denial, including a citation of supporting legal authority;
3. The typed or printed name, title, business address, business telephone number and signature of the RTK Officer on whose authority the denial is issued;
4. Date of the response;
5. The procedure to appeal the denial of access under the Right-To-Know Law.

K. If the request is denied or deemed denied, the requester may file an appeal with the Office of Open Records within fifteen (15) business days of the RTK Officer’s response or within fifteen (15) business days of a deemed denial. The Office of Open Records was created in February, 2008 to help implement and enforce the Right-To-Know Law. The appeal must state the grounds on which the requester asserts that the record is a public record, and must address any grounds stated by the RTK Officer for delaying or denying the request. The Office of Open Records will assign an appeals officer to review the denial.

L. This policy shall be posted conspicuously at the Municipal Building on a public bulletin board.
M. This policy shall take effect on June 3, 2009, replacing all previously adopted versions.

Mr. Donahoe then presented the Budget and Guideline booklet to the board for the 2010 budget preparation. All dates will be surveyed as to Board availability. The annual grant and connections grant applications will be posted on-line. The Connection Grants will have a different due date.

Mr. Donahoe gave the following Advisory Board Report:

The terms of ten current members expire at the end of this year and there are three vacancies on the board. After a review of participation in the committee’s activities, I am recommending that we invite eight of the members to consider serving another four year term. They include: Marilyn Coleman, Ralph Hale, Charles Jarrett, Cynthia Maleski, Liane Norman, Dr. Kenneth Powell, Charles Spence and Beth Wainwright.

In addition to extending these invitations, we should also begin to recruit new members at this time. In addition to geographic diversity required by the statute, we will follow provisions of the District’s new diversity plan in seeking interested members. Board members are encouraged to submit names for consideration as well.

Later this year we will submit the names of those persons interested in continuing to serve as well as new recruits. These will be voted on by the full board.

Following the April Board meeting, members of the Advisory Board were enlisted to work on the evaluation of our communications plan and will be asked to evaluate new applicants this year. The members are making substantive, project driven contributions to the District.

There was no objection that the Advisory Board members would be voted on at a later date.

Mr. Donahoe announced that ARAD had received a Leadership & Arts Award at the event held by Greater Pittsburgh Arts Counsel and that the award was presented to the chair at ceremony earlier in the week. The Chair congratulated staff on the recognition.

Old/New Business

The Chair announced that the Board is now scheduled to reconvene in early July for a special meeting and in August to begin consideration of the 2010 applications. The full schedule of the hearings is posted on the RAD web site.

As there was no old or new business brought before the board, the meeting was adjourned at 5:40PM.