Allegheny Regional Asset District  
Board of Director’s Meeting & Public Hearing  
3 PM – January 10, 2019  
Koppers Building, 436 Seventh Avenue  
Pittsburgh, PA

The Board of Directors met at 3:00 PM on Thursday, January 10, 2019 in the Koppers Building conference room in Pittsburgh. Present were Board members: Chair, Mr. Daniel Griffin, Ms. Dusty Kirk, Ms. Jackie Dixon, Ms. Sylvia Fields, Ms. Hilda Fu, Mr. Tony Ross and Dr. Daniel Rosen. Chief Counsel Mr. James Norris also participated. Others in attendance included Executive Director Mr. Rich Hudic, staff and members of the public. Notice of the meeting was published in accordance with the Act and By-laws and the agenda was posted on the District website.

Public Comment/Hearing Period

The Chair then opened the meeting for public comment. No one registered to speak.

Minutes

The first item on the agenda was consideration of the minutes of the meeting of November 28, 2018. As there were no additions/corrections, Ms. Dixon moved approval with Mr. Ross seconding. The motion was unanimously approved.

Treasurer’s Report

Ms. Fields submitted the following report:

Board Members:

Final tax revenue for 2018 is $101.9 million, which is 4.15 % higher than 2017 total revenue of $97.9 million. Interest earnings for 2018 totaled $488,000. This higher than expected revenue results in an increase to the sales tax reserve balance of $2.2 million or $24.2 million for the year.

District staff will close the 2018 books on January 15 and issue preliminary year-end financial statements at that time. The District’s independent audit will commence on January 22, and a final audit report will be expected sometime in March. The Audit Committee will be convened to review the report with the auditor and will then report to the full board.

Sales tax revenue for January 2019 (November sales) is $8.4 million, which is $200,000 higher than projected and $683,000 ahead January 2018 revenue.

Submitted by  
Sylvia Fields  
Treasurer

In response to Ms. Kirks’ question on 2019 revenue projections, Mr. Hudic said that our projections were conservative. Ms. Dixon asked if we were aware of any assets that could be impacted by the
Federal Government shutdown. Mr. Hudic stated he was not aware of any impacts at this time. Mr. Hudic remarked that we do have safeguards in our agreements with the assets to withhold a portion of their grant for the first half of the year. Mr. Griffin added in the past we have reduced grants but made organizations whole by the end of the year.

The Chair directed that the report be received and filed.

**Contractual Asset Ad Hoc Task Force**

Mr. Griffin said that the committee was appointed last March and met on multiple occasions to review our grant making structure. The committee reviewed analysis, public comment and recommendations from various sources. He thanked the committee members for their diligence and thoughtful approach. As we have not received any comments on these particular recommendations since the November board meeting, Mr. Griffin called on Ms. Fu to present the report of the Ad Hoc Task Force.

Board Members:

At the November board meeting, the Contractual Asset Renewal Ad Hoc Committee presented several recommendations for you to consider and act upon at today’s meeting. In summary, the recommendations are:

1. The District should extend the current contractual asset category for another five years and renew the current nine contractual assets’ agreements for that period. All reporting, compliance and funding guarantee provisions in the current agreements would remain in place.

2. The District should increase the minimum guaranteed allocation to an amount up to seventy five percent of the assets’ 2017 operating grant. This minimum guarantee has not been adjusted since 1995 and is in full compliance with the covenants of our debt service bond financing. If a current contractual asset’s guaranteed amount equals less support under this calculation then their current guarantee would not be reduced.

3. The committee will continue to collect and consider information that may merit additional contractual assets being added prior to the expiration of the current agreement extensions due to expire at the end of the 2019 calendar year.

Given the success of the funding program in carrying out the intent of Act 77, the Committee determined that these recommendations be the only changes in the grant program structure at this time.

Submitted by
Jackie Dixon, Hilda Fu and Dan Griffin
Ms. Kirk moved approval of the recommendation, seconded by Ms. Fields and the motion was approved unanimously.

**Report of the Executive Director**

The Chair called on Mr. Hudic to present his report.

1. Data Arts

The Cultural Data Project agreement for use of the system in 2019 at a cost of $12,500 which was included in the 2019 General Fund Administrative Budget. Mr. Hudic said we have used this for several years to compliment applicant data submitted for annual support consideration. A well-attended training session provided this past year markedly improved the accuracy of the data reflected in each applicant’s submission. Data Arts has been acquired by Southern Methodist University so we will be evaluating the shift along with other local funders. Mr. Hudic requested that the Board formally authorize approval of the agreement.

A motion to approve the agreement was made by Dr. Rosen and seconded by Ms. Dixon. It passed unanimously.

Mr. Hudic thanked Julie Goetz, RAD’s Communication Manager for her 18 years of service to the District. Mr. Griffin echoed the comments and noted that Ms. Goetz was greatly responsible for making RADical Days and the RAD brand so successful. Ms. Goetz said it was an honor and privilege to be RAD’s founding Communications Manager.

**Old Business**

a. ACLA Library Formula

Mr. Griffin stated that the ACLA library distribution formula was presented at the November 28th board meeting during the Library Committee’s report but a formal motion of approval is needed.

A motion to approve the ACLA library distribution formula was made by Ms. Kirk and seconded by Ms. Fields. It passed unanimously.

b. Shared Service Library Project Agreement

The Library Committee sought approval to revise and extend the current agreement with the Hill Group to continue providing services on our Shared Service project for the next two years. Mr. Griffin said a formal vote is needed to approve the agreement

A motion to approve the Hill Group Agreement was made by Mr. Ross and seconded by Ms. Fields. It passed unanimously.

C. Pittsburgh Filmmakers/ Center for the Arts capital grant extension request.
At the last meeting the Board tabled a request for an extension for Filmmakers 2017 capital grant. Mr. Hudic explained that Filmmakers had leadership changes during 2017 and 2018 which contributed to delays in completing capital projects. He also stated that RAD records indicate funds were used for life safety repairs at the Melwood Avenue property before the decision was made to sell the building. Board members expressed concerns about the lease with the City of Pittsburgh for the Center for the Arts property not being finalized. They requested a list of sources and uses of the remaining funds and that a representative of the organization appear at the next board meeting to present an overview of their complete capital plans.

A motion to table the extension request was made by Ms. Kirk and seconded by Dr. Rosen. It passed unanimously.

**New Business - 2019 Board Reorganization**

The Chair asked Mr. Hudic to conduct the nomination and election process that will select officers for calendar year 2019. There were single nominations for each office with the results as follows:

<table>
<thead>
<tr>
<th>Office</th>
<th>Nominee</th>
<th>Nominated By</th>
<th>Vote Tabulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Dan Griffin</td>
<td>Dusty Kirk</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Vice Chair</td>
<td>Dusty Kirk</td>
<td>Sylvia Fields</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Secretary/Treasurer</td>
<td>Sylvia Fields</td>
<td>Dan Rosen</td>
<td>Unanimous</td>
</tr>
</tbody>
</table>

Mr. Griffin nominated Mr. Hudic as Assistant Secretary/Treasurer and it passed unanimously.

**Appointment of Committees**

Mr. Griffin made the following Board committee appointments and all were unanimously approved by the Board:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Members</th>
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<tbody>
<tr>
<td>Allocations</td>
<td>Sylvia Fields, Dusty Kirk, Dan Rosen</td>
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<tr>
<td>Library</td>
<td>Sylvia Fields, Dusty Kirk, Dan Rosen</td>
</tr>
<tr>
<td>Audit</td>
<td>Dan Griffin, Tony Ross</td>
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<tr>
<td>Project Review</td>
<td>Jackie Dixon, Hilda Fu, Tony Ross</td>
</tr>
<tr>
<td>Contractual Asset Renewal Ad Hoc</td>
<td>Jackie Dixon, Hilda Fu, Dan Griffin</td>
</tr>
<tr>
<td>Impact Grant Committee</td>
<td>Jackie Dixon, Hilda Fu, Dusty Kirk</td>
</tr>
</tbody>
</table>

In response to a question from Dr. Rosen, Mr. Hudic said $2.5 million was allocated for the Impact Grants in the 2019 budget. Mr. Griffin stated that he could substitute as the third member of a committee if needed.

Mr. Griffin appointed Ms. Dixon as the advisory board liaison.

**Adjournment**

The meeting was adjourned at 3:40 PM.