

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF PENNSYLVANIA

In re:)	
)	
PITTSBURGH ATHLETIC	)	Jointly Administered at:
ASSOCIATION, <i>et al.</i>,	)	Bankruptcy No. 17-22222-JAD
)	
	)	Bankruptcy Nos.
Debtor.	)	17-bk-22222-JAD and
	)	17-bk-22223-JAD
)	
	)	Chapter 11
UNITED STATES OF AMERICA,)	
)	
Movant,)	
)	
v.	)	Related to Document No. 419
)	
PITTSBURGH ATHLETIC)	
ASSOCIATION, <i>et al.</i> ,)	
)	
Respondent.)	

UNITED STATES' OBJECTION TO CONFIRMATION OF CHAPTER 11 PLAN

The United States objects to confirmation of the Debtors' Chapter 11 plan (dkt. no. 419) and states as follows:

PRELIMINARY STATEMENT

The Debtors are Pittsburgh Athletic Association ("PAA") and Pittsburgh Athletic Association Land Company ("PAALC"). PAA is exempt from income taxes as a social club. 26 U.S.C. § 501(c)(7). PAALC is a legally separate corporation that owns the real property where the social club is located. The Debtors have alleged in their Plan that they intend to sell their real property. They also seek a ruling in the Confirmation Order that the sale will not trigger a federal income tax liability. The Plan, however, cannot be confirmed for three reasons.

First, this Court lacks subject-matter jurisdiction to rule on the proposed tax consequences of a sale. Because there is no live case or controversy, issuing an opinion would be an improper advisory opinion. It would also violate the federal tax exception to the Declaratory Judgment Act, 28 U.S.C. § 2201.

Second, the Plan is not feasible. Without seeking a ruling on the merits of the tax arguments, the sale of the real property could lead to a \$2 million administrative tax expense. Because the Debtors do not include this administrative expense in their proposed distributions, it appears their Plan may result in the “liquidation, or the need for further financial reorganization, of the debtor or [its] successor.” 11 U.S.C. § 1129(a)(11).

Third, the Plan attempts to release and satisfy its tax claims through confirmation rather than full payment or discharge under the Bankruptcy Code. In addition, the Plan provides overly broad releases and discharges for non-debtors.

ARGUMENT

I. The Court Cannot Rule Whether There Will Be A Future Administrative Tax Expense.

A. The Plan.

Plan section 7.1 says that the Debtors will sell the Sales Assets – consisting of real estate and other assets – to Walnut PAA, LP, (a nondebtor) within 30 days of confirmation. (Plan §§ 7.1, 1.87 (defining “Walnut PAA”).) In exchange, the Debtors will receive an \$11.9 million purchase price, and the Reorganized Debtors will receive a limited interest in the properties going forward. *Id.*, §§ 7.1, 1.72 (defining “Purchase Price”).

In Plan section 7.2, the Debtors asserts the sale should not trigger an income tax consequence. The Debtors allege that they treat themselves as a single tax-exempt entity. *Id.*

§ 7.2. Thus, even though the Debtors' land-holding company (PAALC) owns the real property, the Debtors assert the tax-exempt entity (PAA) should be treated as the real property's owner. As such, the Debtors alleges that the sale of the real property will be completely exempt from federal income taxes under 26 U.S.C. § 512(a)(3)(D). *Id.* The Debtors will use the sale proceeds to pay creditors, and reinvest the remainder in the replacement club facilities. *Id.* The Debtors assert that they will seek a ruling in the Confirmation Order that the United States is "not and will not become holders of Allowed Administrative Expense Claims arising out of the sale of the Sale Assets." *Id.*

B. There Is No Case or Controversy.

This Court lacks the authority to issue a determination about a sale that may never happen. The federal courts, including bankruptcy courts, are prohibited from issuing advisory opinions. *E.g., Coffin v. Malvern Fed. Sav. Bank*, 90 F.3d 851, 853-854 (3d Cir. 1996). Article III of the United States Constitution instead requires an actual case or controversy to exist before the Court can rule. U.S. Const. art. III. A case or controversy only exists when, among other things, a dispute "is real and not hypothetical." *Armstrong World Indus., Inc. v. Adams*, 961 F.2d 405, 411 (3d Cir. 1992) (internal citation and punctuation omitted). The Debtor cannot turn to this Court to determine its tax liability for an open tax year before the proposed sale even closes.

The Supreme Court's holding in *Hollywell* supports the United States' position that the Debtors cannot obtain an advisory opinion about post-petition taxes. *Hollywell v. Smith*, 503 U.S. 47 (1992). In *Hollywell*, the liquidating trustee argued that he could not be required to file tax returns or pay taxes because the Chapter 11 plan did not order him to do so. *Id.*, at 58. The Supreme Court held in a unanimous decision held that "[e]ven if [11 U.S.C.] § 1141(a)

binds creditors of the corporate and individual debtors with respect to claims that arose before confirmation, we do not see how it can bind the United States or any other creditor with respect to postconfirmation claims.” *Id.*, at 59. That ruling is applicable here. The Debtors are seeking a ruling that in their plan that would bind the United States with respect to postconfirmation taxes, violating his Supreme Court precedent.

Indeed, the District Court for the Western District of Pennsylvania has ruled that a taxpayer cannot seek an advisory opinion on the tax consequences of a particular transaction. *In re Dycoal, Inc.*, 2006 WL 360642, *9-*10 (W.D. Pa. Feb. 15, 2006). In *Dycoal*, the taxpayer sought the determination from the court regarding federal tax credits. *Id.* at *3. The District Court, in looking at the grant of authority to hear tax issues under 11 U.S.C. § 505, held that there is “no grant of jurisdiction to decide issues that are antecedent to the determination of tax liability” *Id.* at *10. In reaching this conclusion, the court quoted *In re Grand Chevrolet, Inc.*, where that court found that a trustee could not obtain an advisory opinion on the tax treatment of substantively consolidated debtors before tax returns were filed. 153 B.R. 296, 299 (Bankr. C.D. Cal. 1993); *see In re Indian Motorcycle Litig.*, 307 B.R. 7, 16-17 (D. Mass. 2004) (holding that whether future loss carry-backs can be applied to a particular transaction was not ripe for determination before tax returns for those future years are filed). This Court here similarly lacks authority to issue an advisory opinion on the tax consequences of future sales.

C. Ruling on the Tax Consequence of the Sale Violates the Declaratory Judgment Act.

The Declaratory Judgment Act, 28 U.S.C. § 2201, further prohibits declaratory rulings. In relevant part, the federal courts are authorized to issue declaratory judgments “except with respect to Federal taxes,” other than proceedings under 11 U.S.C. §§ 505 and 1146. 28 U.S.C.

§ 2201(a). The federal tax exception applies to bankruptcy courts and prevent the court from issuing a ruling that the estate can owe no more taxes. *See, e.g., Sterling Consulting Group v. United States*, 245 F.3d 1161, 1167 (10th Cir. 2001) (holding that “the Declaratory Judgment Act prohibits the district court from declaring that the bankruptcy estates owe no additional federal taxes.”); *In re UAL Corp.*, 336 B.R. 370, 373 (Bankr. N.D. Ill. 2008) (same). Neither of the two listed bankruptcy provisions to the Declaratory Judgment Act apply here. Indeed, these provisions support the United States’ position that there is no case or controversy here.

Section 505 provides general rules for when a debtor can challenge tax liabilities. Section 505(a) provides “the court may determine the amount or legality of any tax, any fine or penalty relating to a tax, or any addition to tax,” 11 U.S.C. § 505(a)(1). In *Dycoal*, this Court held that section 505(a) is limited to pre-petition tax liabilities. *In re Dycoal*, 327 B.R. at 228 (holding that “substantial case authority exists for the proposition that a bankruptcy court, as a matter of law, may not pass upon a post-confirmation tax liability under § 505(a)(1)”); *accord In re Hartman Materials Handling Sys.*, 141 B.R. 802, 813 (Bankr. S.D.N.Y. 1992) (“[N]o pre-confirmation finding can finally determine tax issues which do not arise until after confirmation.”).

Section 505(b), by contrast, applies to post-petition tax liabilities. Section 505(b) provides a trustee-in-bankruptcy with the ability to seek a prompt determination of any additional tax liabilities when it files a post-petition return. 11 U.S.C. § 505(b)(2)(A). If the trustee makes a request, the IRS will generally have 60 days to choose to audit the tax return. *Id.* If there is no audit or disagreement regarding the tax liability, then the trustee, debtor, and estate will be discharged from any additional tax liability. *Id.* If the parties disagree, they can petition

the bankruptcy court, which will rule on whether additional taxes are owed. 11 U.S.C. § 505(b)(2)(B). Once the court rules, then the trustee, debtor, and estate receive a discharge upon payment of any remaining tax liability. *Id.* This discharge, however, does not apply if the return was fraudulent or had a material misrepresentation. *Id.* § 505(b)(2).

The key for this case is that the Debtors cannot simply seek a post-petition tax consideration in a vacuum by adding a premature motion for a tax determination on page 20 of a 31-page Chapter 11 plan. Instead, they must file the appropriate tax return(s) and seek a determination from the IRS. Even then, debtors do not receive a carte-blanche discharge, like the Debtors propose here.

Section 1146 – the other Bankruptcy Code provision listed in the Declaratory Judgment Act – exempts the sale of assets through a plan from certain transfer taxes. 11 U.S.C. § 1146(a). Section 1146(b) then provides that “the court may authorize the proponent of a plan to request a determination, limited to questions of law, **by a State or local governmental unit** charged with responsibility for collection or determination of a tax on or measured by income, of the tax effects . . . of the plan.” 11 U.S.C. § 1146(b) (emphasis added). The section then allows a trustee to seek a determination from the State or local governmental unit, and then “[i]n the event of an actual controversy” the bankruptcy court may rule. *Id.*

Section 1146 buttresses the United States’ position that this Court lacks an actionable case or controversy. Section 1146(b) states that the court is only granted jurisdiction after the “actual controversy” arises between the debtor and the governmental unit. There is no actual controversy here. Moreover, section 1146 only applies to State and local governmental units. Thus, that section cannot provide review of a federal income tax. *In re Hartman Materials*

Handling Sys., 141 B.R. at 813 n.16; *In re UAL*, 336 B.R. at 374; *see generally, Andrus v. Glover Constr. Co.*, 446 U.S. 608, 616-617 (1980) (“Where Congress explicitly enumerates certain exceptions to a general prohibition, additional exceptions are not to be implied . . .”). Given that neither of the bankruptcy provisions listed in the Declaratory Judgment Act apply to this matter, the Debtors cannot obtain the declaratory relief they seek.

II. The Plan Is Not Feasible.

A plan can be confirmed only if it is feasible, namely that the plan if confirmed “is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor . . .” 11 U.S.C. § 1129(a)(11). To show feasibility, a debtor must show the plan “is a workable scheme of organization and operation,” with a “reasonable expectation of success.” *E.g., In re WR Grace & Co.*, 475 B.R. 34, 114 (D. Del. 2012) (quoting *In re Corestates Bank, N.A. v. United Chem. Techs. Inc.*, 202 B.R. 33, 45 (E.D. Pa. 1996)). The Plan lacks feasibility because the Debtors assume the sale of real property will be free from any federal income tax consequences. We will first show that the Debtors’ tax analysis is likely wrong, and we will then show that error will render the Plan not feasible.

The Debtors allege that 26 U.S.C. § 512(b)(3)(D) allows a sale not to be a “taxable event.” (Plan § 7.2.)¹ The actual rule, however, is not that simple. Section 512(b)(3)(D) provides for the nonrecognition of gain on a sale of property used directly in the performance of

¹ Providing that “[i]f property used directly in the performance of the exempt function of an organization described [in section 501(c)(7)] . . . is sold by such organization, and within a period beginning 1 year before the date of such sale, and ending 3 years after such date, other property is purchased and used by such organization directly in the performance of its exempt function, gain (if any) from such sale shall be recognized only to the extent that such organization’s sales price of the old property exceeds the organization’s cost of purchasing the other property . . .” 26 U.S.C. § 512(b)(3)(D).

certain exempt organizations' functions, but only to the extent the organization uses the proceeds to purchase another property for use directly in the performance its tax-exempt purpose, like having a social club. 26 U.S.C. § 512(b)(3)(D); *Deer Park County Club v. Comm'r*, T.C. Memo 1995-567, 1995 WL 699213, *4 (Tax Ct. 1995) (holding that actual use of the proceeds, not the intended use, is dispositive). In other words, even a tax-exempt entity like PAA would recognize gain (and thus be subject to an immediate tax) to the extent the "sales price of the old property exceeds the organization's cost of purchasing the other property." 26 U.S.C. § 512(b)(3)(D). Here, the Debtors have not established that they qualify for full (or even partial) nonrecognition treatment under section 512(a)(3)(D) based on two key reasons.

First, the Debtors concede that PAALC – not PAA – owns the properties being sold, and that PAA only is tax exempt. (Plan § 7.2.) Because PAALC is a taxable entity, the entire gain should be recognized. PAALC should then pay a 21% income tax on the gain realized from the sale. *See* 26 U.S.C. § 11(b).

The Debtors assert that the PAA should be deemed the owner of the real property because PAA reported the property as its own on its Annual Exempt Organization Return (Form 990). Taxpayers, however, are "bound by the form of the transaction that they have chosen; taxpayers may not in hindsight recast the transaction as one that they might have made in order to obtain tax advantages." *Harris v. United States*, 902 F.2d 439, 443 (5th Cir. 1990). Because PAALC owns the real property, the Debtors cannot now be heard to argue what may happen if the facts were different. In addition, each tax year stands on its own, so PAA's prior tax returns cannot bind the Service in tax year 2018. *See United States v. Skelly Oil Co.*, 394 U.S. 678, 684 (1969); *Pekar v. Comm'r*, 113 T.C. 158, 166 (Tax Ct. 1999).

Second, assuming that section 512(a)(3)(D) did somehow apply here and PAA was deemed the owner of the property, the Debtors have not shown that their cost of purchasing the replacement property equals or exceeds the sale price of the old property. The Debtors' Feasibility Analysis shows that all of the proceeds from the sale of the real property will be used to repay creditors. (Ex. 101, Feas. Analysis, p. 2.) As such, the entire gain from the sale must be recognized because repaying creditors does not qualify for nonrecognition treatment. *See Tamarisk Country Club v. Comm'r*, 84 T.C. 756, 760-764 (1985). If the entire amount realized is recognized, PAA could incur a tax in excess of \$2 million.² 26 U.S.C. § 511(a)(1) (imposing income taxes for tax-exempt organizations at the corporate rate); 26 U.S.C. § 11(b) (2018) (setting the corporate rate at 21%). Of course, it is too early to say what the total tax liability will be as the Debtors may have other potentially taxable transactions in tax year 2018.

That being said, there is a significant chance of a future need for liquidation or reorganization. The Plan intends to distribute almost all of the sale proceeds shortly after the Plan's Effective Date, and well before the Annual Exempt Organization Return for 2018 is due in 2019. (Plan Art. IV (discussing distributions as being within 30 days of the Plan's Effective Date); Ex. 101, Feas. Analysis, p. 2.) The Debtors' Plan does not include the payment of any administrative taxes. As such, it leaves the Debtors (or their successors) potentially liable for a multimillion dollar tax liability with no means of paying it. Accordingly, the Plan is not feasible.

² Gain is determined by taking the amount realized less the adjusted basis in the property being sold. 26 U.S.C. § 1001. The Debtors have not stated PAALC's adjusted basis. That being said, PAA reported its adjusted basis for all of its land, building, and equipment is \$1.67 million. (Ex. 102, Form 990 for 2015, Sch. D, Part VI.) If that amount applies, then there would be a gain of \$10.2 million (*i.e.*, the \$11.9 million sales price less \$1.67 million basis). Unless the cost of the replacement property is more than \$1.67 million, all of PAA's gain would be recognized as taxable in tax year 2018. *Tamarisk*, 84 T.C. at 764.

**III. The Plan's Exculpation, Release, and Discharge Provisions
Are Overly Broad.**

The Plan finally contains various impermissible releases. The United States provides proposed language below to cure these provisions.

First, Plan section 10.1(a) and 10.1(b)(1) provides that the rights afforded in the plan constitutes in “full satisfaction,” and “release” of such respective Claims. The United States’ priority or administrative expenses cannot be satisfied except through lawful payment. *See In re Conston*, 181 B.R. 769, 777-779 (D. Del. 1995) (holding that a tax liability does not lose its status as a “tax” because its payment was allowed for in a prior plan).

Second, Plan section 10.1(d) states “Debtors, the Committee, the members of the Committee, the Debtors’ Professionals nor the Committee’s Professionals will have or incur any liability to any Person for any act taken or omission occurring on or after the Petition Date in connection with or related to the Case” (Plan § 10.1(d).) The Debtors have operated in the interim and these individuals may become personally liable for the taxes that have accrued under a variety of theories. *E.g.*, 26 U.S.C. § 6672 (imposing personal liability when withholdings held in special trust are not collected, truthfully accounted for, and paid over).

These provisions improperly restrict the United States from assessing or collecting taxes from any non-debtor person or entity that may be liable directly or indirectly for the Debtors’ taxes. These restrictions on assessment and collection violate the Anti-Injunction Act, which provides that “no suit for the purpose of restraining the assessment or collection of any tax shall be maintained in any court by any person, whether or not such person is the person against whom such tax was assessed.” 26 U.S.C. § 7421(a); *In re Becker’s Motor Transp.*, 632 F.2d 242, 246 (3d Cir. 1980) (Anti-Injunction Act applies in bankruptcy cases); *United States v. Plainwell*,

2004 WL 2345717, *2 (D. Del. Oct. 7, 2004) (denying release of officers and directors from potential tax claims).

WHEREFORE, the United States asserts that confirmation should be denied for the Debtors' Plan.

Date: February 1, 2018,

Respectfully submitted,

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"Exhibit D"

(Feasibility Analysis)

**Government
Exhibit**

**Pittsburgh Athletic Association Land Company and Pittsburgh Athletic Association
Plan Feasibility Analysis**

	PAALC	PAA	Notes:
Proceeds from Land/Building Sale	\$ 12,238,000		a)
Less: Transaction Costs	(325,000)		b)
Net Sale Proceeds	\$ 11,913,000		
Less Administrative Claims:			
Repayment of DIP Loan	\$ (1,500,000)		c)
Unpaid Professional Fees	(700,000)		d)
Unpaid US Trustee Fees	(975)		
Administrative Tax Claims	-		
Less Payments to PAALC Creditors:			
Secured - PAALC	\$ (4,398,493)		e)
Priority Unsecured - PAALC	(300)		e)
Unsecured - PAALC	(300)		e)
Total Payments to PAALC Creditors (including Disputed Claims)	\$ (4,399,093)		
Funds Available after Payment of PAALC Creditors	\$ 5,312,932		
Equity Distribution to PAA	\$ (5,312,932)	\$ 5,312,932	
Less Payments to PAACreditors:			
Secured - PAA		\$ (1,535,178)	f)
Priority Unsecured - PAA		(502,221)	f)
Unsecured - PAA		(3,498,136)	f)
Total Payments to PAALC Creditors (including Disputed Claims)		\$ (5,535,534)	
Funds Available from Sales Proceeds after Payments to Creditors and Disputed Claims		\$ (222,603)	
Funds Available from Other PAA Assets:			
PAA Artwork		\$ 800,000	g)
Proceeds from PAA Personal Property Auction		100,000	h)
Return of Utility Deposits		53,000	
Collection of Outstanding Accounts Receivable		100,000	i)
Cash Proceeds from Avoidance Actions Retained by Reorganized Debtor		TBD	
Total Funds from Other PAA Assets		\$ 1,053,000	
Funds Available to Reorganized Debtor for Future Reinvestment in PAA	\$ -	\$ 830,397	

Notes:

- Letter of Intent ("LOI") from Walnut Capital dated September 18, 2017.
- Includes \$325,000 fee for HFF.
- This amount assumes that the interest reserve held by lender will be adequate to cover outstanding balances.
- Professional fees include actual billings through November 2017 and estimated billings through January 2018. This amount has also been deducted for amounts that will be paid for professional fees using operating funds of the PAA.
- See tab entitled PAALC Summary.
- See tab entitled PAA Summary.
- Based upon Christies/Sotheby's appraisal of artwork.
- Estimated based on current assets held, net of sale expenses.
- Based on approximately 50 percent recovery of balances currently recorded in the PAA MOR

Pittsburgh Athletic Association Land Company
Analysis of Claims for Plan Feasibility

Creditor	Entity	Docket Reference	Secured as Reflected on POC	Secured as Reflected on Bankruptcy Schedules	Secured (Greater of POC or Bankruptcy Schedules)	Secured as Determined by Financial Advisors
<u>Secured Claims</u>						
A.J. Demors & Sons, Inc.	PAALC	1-1	\$ 8,812.00	\$ 8,812.00	\$ 8,812.00	\$ 8,812.00
City and School District of Pittsburgh	PAALC	5-1	85,137.14	85,137.14	-	-
Coca-Cola Refreshments	PAALC		-	6,655.10	-	-
Commonwealth of PA - UCTS	PAALC	6-1	322,388.49	322,388.49	-	-
Oakland Fifth Avenue Hotel Associates LP	PAALC	11-1	660,151.26	637,551.08	660,151.26	660,151.26
Oakland Fifth Avenue Hotel Associates LP	PAALC	12-1	1,563,680.84	1,517,827.86	1,563,680.84	1,563,680.84
Pitt AA, LLC (AVB/JDI)	PAALC	9-1	2,165,849.10	2,124,416.14	2,165,849.10	2,165,849.10
Pittsburgh Water and Sewer Authority	PAALC	4-1	198,475.58	198,475.58	-	-
Unite Here Health	PAALC	8-1	30,246.75	141,048.92	-	-
Total			\$ 5,034,741.16	\$ 5,042,312.31	\$ 4,398,493.20	\$ 4,398,493.20

Creditor	Entity	Docket Reference	Priority as Reflected on POC	Priority as Reflected on Bankruptcy Schedules	Priority (Greater of POC or Bankruptcy Schedules)	Priority as Determined by Financial Advisors
<u>Priority Unsecured Claims</u>						
County of Allegheny	PAALC	10-1	\$ 10,396.21	\$ -	\$ -	\$ -
City of Pittsburgh	PAALC	13-1	2,112.67	-	-	-
City of Pittsburgh	PAALC	14-1	8,278.05	-	-	-
Commonwealth of PA - UCTS	PAALC	6-1	37,251.13	37,251.13	-	-
Department of Treasury - IRS	PAALC	3-1	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
Total			\$ 58,338.06	\$ 37,551.13	\$ 300.00	\$ 300.00

Creditor	Entity	Docket Reference	Unsecured as Reflected on POC	Unsecured as Reflected on Bankruptcy Schedules	Unsecured (Greater of POC or Bankruptcy Schedules)	Unsecured as Determined by Financial Advisors
<u>Unsecured Claims</u>						
Allegheny County Health Department	PAALC	2-1	\$ 7,000.00	\$ 7,000.00	\$ -	\$ -
Department of Treasury - IRS	PAALC	3-1	300.00	300.00	300.00	300.00
National Retirement Fund	PAALC	7-1	4,098,642.00	4,098,642.00	-	-
Total			\$ 4,105,942.00	\$ 4,105,942.00	\$ 300.00	\$ 300.00

Pittsburgh Athletic Association
Analysis of Claims for Plan Feasibility

Creditor	Entity	Docket Reference	Secured as Reflected on POC	Secured as Reflected on Bankruptcy Schedules	Secured (Greater of POC, Bankruptcy Schedules or Amount Determined by Financial Advisors)	Secured as Determined by Financial Advisors
<u>Pittsburgh Athletic Association</u>						
<u>Secured Claims</u>						
A.J. Demor & Sons, Inc.	PAA	1-1	\$ -	\$ 8,812.00	\$ -	\$ -
Allegheny County Health Department	PAA	9-2	-	7,000.00	-	-
American Geosciences, Inc.	PAA	N/A	-	3,186.35	3,186.35	3,186.35
City and School District of Pittsburgh	PAA	21-1	85,137.14	85,137.14	-	-
Commonwealth of PA - UCTS	PAA	12-1	322,388.49	322,388.49	322,388.49	322,388.49
Department of Treasury - IRS	PAA	17-2	345,348.00	345,348.07	345,348.00	345,348.00
Duquesne Light Company	PAA	N/A	-	159,045.75	-	-
Francis J. Nowalk Artwork	PAA	N/A	-	1,747.00	-	-
Pennsylvania Department of Revenue	PAA	2-1	150,904.03	150,904.03	150,904.03	150,904.03
Pitt AA, LLC (AVB/JDI)	PAA	40-1	2,165,849.10	2,124,416.14	-	-
Pittsburgh Water and Sewer Authority	PAA	20-1	198,475.58	198,475.58	198,475.58	29,823.28
Steffan Industries	PAA	16-1	34,640.00	34,640.00	34,640.00	34,640.00
The Blanche Trust	PAA	47-1	335,388.36	390,000.00	435,388.36	435,388.36
TRIB Total Media	PAA	N/A	-	3,502.82	-	-
Unite Here Health Local 57	PAA	N/A	-	203,460.43	-	-
US Foods, Inc.	PAA	52-1	44,847.02	59,374.48	44,847.02	44,847.02
Total			\$ 3,682,977.72	\$ 4,097,438.28	\$ 1,535,177.83	\$ 1,366,525.53

Creditor	Entity	Docket Reference	Priority as Reflected on POC	Priority as Reflected on Bankruptcy Schedules	Priority (Greater of POC or Bankruptcy Schedules)	Priority as Determined by Financial Advisors
<u>Priority Unsecured Claims</u>						
Allegheny County Tax Collection	PAA	19-1	\$ 94,893.88	\$ 94,893.88	\$ 94,893.88	\$ 94,893.88
B&R Pools Management (Dream Pools)	PAA	13-1	2,773.04	-	2,773.04	2,773.04
Central Pension Fund of the International Union of Operating Engineers	PAA	45-1	8,279.57	Unknown	8,279.57	8,279.57
City of Pittsburgh	PAA	58-1	2,112.67	-	2,112.67	2,112.67
City of Pittsburgh	PAA	59-1	8,278.05	-	8,278.05	8,278.05
Commonwealth of PA - UCTS	PAA	12-1	37,251.13	37,251.13	37,251.13	37,251.13
County of Allegheny	PAA	43-1	10,396.21	-	10,396.21	10,396.21
Department of Treasury - IRS	PAA	17-2	136,955.91	136,955.91	136,955.91	136,955.91
Mary Helen and David Zimmick	PAA	29-2	2,850.00	-	-	-
National Retirement Fund	PAA	25-1	228,090.70	228,090.70	100,000.00	100,000.00
PBOWF	PAA	41-1	34,003.00	-	34,003.00	34,003.00
Pennsylvania Department of Revenue	PAA	2-1	35,938.30	35,938.30	35,938.30	35,938.30
Unite Here Health	PAA	32-1	30,246.75	-	30,246.75	30,246.75
USDLWage and Hour Division	PAA	54-1	1,092.50	-	1,092.50	1,092.50
Total			\$ 633,161.71	\$ 533,129.92	\$ 502,221.01	\$ 502,221.01

Creditor	Entity	Docket Reference	Unsecured as Reflected on POC	Unsecured as Reflected on Bankruptcy Schedules	Unsecured (Greater of POC or Bankruptcy Schedules)	Unsecured as Determined by Financial Advisors
Unsecured						
Ace Cash Express	PAA	N/A	\$ -	\$ 957.78	\$ 957.78	\$ 957.78
Albert Zangrilli, Jr.	PAA	53-1	2,500.00	2,500.00	2,500.00	2,500.00
Alex Richter	PAA	N/A	-	460.00	460.00	460.00
Allegheny County Sheriff's Office	PAA	N/A	-	1,389.00	1,389.00	1,389.00
Allegheny County Health Department	PAA	9-2	7,000.00	-	7,000.00	7,000.00
Allegheny Refrigeration Service Co.	PAA	N/A	-	5,356.00	5,356.00	5,356.00
American Arbitration Association	PAA	N/A	-	250.00	250.00	250.00
Amy Dugan	PAA	N/A	-	6,413.26	6,413.26	6,413.26
Anthony Pyle	PAA	N/A	-	2,500.00	-	-
A.J. Demor & Sons, Inc.	PAA	1-1	8,812.00	-	-	-
ASCAP	PAA	N/A	-	121.02	121.02	121.02
Balfurd	PAA	61-1	182,929.62	-	182,929.62	182,929.62
Brentwood Distributing Co.	PAA	N/A	-	999.00	999.00	999.00
Carl/Frank Industries, Inc.	PAA	55-1	4,300.00	-	4,300.00	4,300.00
Central Pension Fund of the International Union of Operating Engineers	PAA	45-1	323,174.77	Unknown	323,174.77	323,174.77
Charles Felix	PAA	N/A	-	40,631.12	40,631.12	40,631.12
Christian Griffin	PAA	N/A	-	460.00	460.00	460.00
Clare S. Donahue	PAA	8-1	2,500.00	2,500.00	2,500.00	2,500.00
Coca-Cola Refreshments USA, Inc.	PAA	7-1	6,655.10	6,655.10	6,655.10	6,655.10
Comcast	PAA	N/A	-	11,538.27	11,538.27	11,538.27
Connor Van Pevenage	PAA	N/A	-	460.00	460.00	460.00
CTR Systems	PAA	N/A	-	1,142.46	1,142.46	1,142.46
CyberSource Corporation	PAA	N/A	-	172.88	172.88	172.88
Department of Treasury - IRS	PAA	17-2	15,430.89	15,430.89	15,430.89	15,430.89
Davevic Benefit Consultants, Inc.	PAA	N/A	-	1,120.00	1,120.00	1,120.00
David Wandrisco	PAA	5-1	2,500.00	2,500.00	2,500.00	2,500.00
Dernar & Associates, LLC	PAA	N/A	-	4,000.00	4,000.00	4,000.00
Direct Energy Business Marketing, LLC	PAA	44-1	106,154.59	106,648.17	106,154.59	106,648.17
Duquesne Light Company	PAA	42-1	7,977.49	15,379.75	7,977.49	7,977.49
Eckert Seamans	PAA	4-1	4,095.00	4,095.00	4,095.00	4,095.00
Eckman & Danovitz Attorneys at Law	PAA	N/A	-	25,510.00	25,510.00	25,510.00
Ecomm Networks, LLC	PAA	N/A	-	355.78	355.78	355.78
Emmanuel Kambourglos	PAA	N/A	-	460.00	460.00	460.00
Fidelity & Guaranty Life	PAA	N/A	-	145.62	145.62	145.62
G&G Fitness	PAA	N/A	-	1,408.95	1,408.95	1,408.95
Goehing Rutter & Boehm	PAA	N/A	-	661.50	661.50	661.50
Gordon Food Service	PAA	27-1	5,336.99	5,409.34	5,336.99	5,336.99
Gray Group, Inc.	PAA	57-1	5,000.00	5,024.10	5,000.00	5,000.00
HD Supply Maintenance	PAA	N/A	-	2,343.09	2,343.09	2,343.09
Industrial Pump & Motor Repair, LTD.	PAA	N/A	-	3,675.98	3,675.98	3,675.98
Jackson Welding Supply Co.	PAA	N/A	-	754.25	754.25	754.25
James Huber	PAA	PAA	-	460.00	460.00	460.00
Janice Miller	PAA	36-1	14,401.53	9,651.75	14,401.53	11,847.25
Jeffrey E. Borello	PAA	38-1	11,031.97	11,032.00	11,032.00	11,032.00
Jennifer Stoner	PAA	PAA	-	3,000.00	3,000.00	3,000.00
Joe Marshall	PAA	N/A	-	460.00	460.00	460.00
Jo-Mar Provisions, Inc.	PAA	31-1	63,120.56	63,120.56	63,120.56	63,120.56

John K. Weinstein, Treasurer	PAA	N/A	-	7,838.96	7,838.96	7,838.96
Johnstone Supply	PAA	N/A	-	107.00	107.00	107.00
John V. Heineman Company	PAA	N/A	-	8,524.69	8,524.69	8,524.69
Joyce McCoy	PAA	N/A	-	630.00	630.00	630.00
Koonse Food Equipment Service, Inc.	PAA	N/A	-	2,417.80	2,417.80	2,417.80
Kristy Buczynski and Michael Weaver	PAA	N/A	-	3,000.00	3,000.00	3,000.00
Leo Dorman	PAA	N/A	-	460.00	460.00	460.00
Logan Frey	PAA	N/A	-	460.00	460.00	460.00
Louis Cherry	PAA	N/A	-	460.00	460.00	460.00
Mancini's Bakery	PAA	N/A	-	3,825.05	3,825.05	3,825.05
Matthews International Corporation	PAA	N/A	-	267.50	267.50	267.50
Marie Gray	PAA	N/A	-	1,000.00	1,000.00	1,000.00
Mark Littlefield	PAA	N/A	-	460.00	460.00	460.00
Martin S Samuels and Johanna S Samuels	PAA	24-1	3,000.00	3,000.00	3,000.00	3,000.00
Mary Helen and David Zimmick	PAA	29-2	150.00	3,000.00	3,000.00	3,000.00
Mitel	PAA	N/A	-	3,040.01	3,040.01	3,040.01
Monteverde's Inc.	PAA	28-1	20,788.27	20,788.27	20,788.27	20,788.27
Montour Heights Country Club	PAA	N/A	-	22.50	22.50	22.50
Movin' On Up Laundry Services, LLC d/b/a Affordable Linens	PAA	50-1	7,353.77	7,354.00	7,354.00	7,353.77
National Labor Relations Board	PAA	34-1	4,975.87	4,975.87	4,975.87	4,975.87
National Labor Relations Board	PAA	35-1	6,184.20	6,184.20	6,184.20	6,184.20
National Retirement Fund	PAA	25-1	4,098,642.00	4,098,642.00	1,359,000.00	1,359,000.00
Nicholas Keddie	PAA	N/A	-	460.00	460.00	460.00
Nick Logan	PAA	N/A	-	460.00	460.00	460.00
Nick Taglianetti	PAA	N/A	-	460.00	460.00	460.00
Noah Dorman	PAA	N/A	-	460.00	460.00	460.00
Northstar Technologies, Inc.	PAA	N/A	-	615.25	615.25	615.25
Ogletree, Deakins, Nash, Smoak & Stewart, P.C	PAA	26-1	80,487.75	80,487.75	80,487.75	80,487.75
Overall Supply Inc.	PAA	N/A	-	182.35	182.35	182.35
USDOL - PAA Group Health Plan	PAA	14-1	3,016.52		3,016.52	3,016.52
USDOL - PAA Group Health Plan	PAA	15-1	74,632.95		74,632.95	74,632.95
Patrick McDunn	PAA	N/A	-	460.00	460.00	460.00
PBOWF	PAA	41-1	722,276.33	380,276.95	722,276.33	722,276.33
Pennsylvania Department of Revenue	PAA	2-1	7,865.34	7,865.34	7,865.34	7,865.34
Peoples Natural Gas Company	PAA	3-1	76,474.69	76,474.69	76,474.69	76,474.69
Phoenix Funding Group	PAA	N/A	-	17,802.40	-	-
Pittsburgh Field Club	PAA	N/A	-	462.11	462.11	462.11
Pittsburgh Laundry Systems	PAA	N/A	-	633.64	633.64	633.64
Pitney Bowes	PAA	22-1	11,928.00	11,298.00	11,928.00	11,298.00
Pitney Bowes	PAA	23-1	5,148.56	5,148.56	5,148.56	5,148.56
PSF Acquisition Company, LLC	PAA	51-1	20,817.87	-	20,817.87	20,817.87
Pure Force	PAA	N/A	-	1,173.47	1,173.47	1,173.47
R.D. Hoag and Associates, P.C.	PAA	18-1	9,139.94	9,139.94	9,139.94	9,139.94
Renaissance 3 Architects, P.C.	PAA	N/A	-	3,817.64	3,817.64	3,817.64
RH Management Resources	PAA	11-1	3,712.96	3,712.96	3,712.96	3,712.96
Richard S. Hamilton	PAA	37-1	2,500.00	2,500.00	2,500.00	2,500.00
Road Runner	PAA	N/A	-	4,995.70	4,995.70	4,995.70
Robert J. Battiston	PAA	30-1	2,500.00	-	2,500.00	2,500.00
Robbins, Salomon & Pratt, LTD.	PAA	N/A	-	9,181.50	9,181.50	9,181.50
Ryan Le Grand	PAA	N/A	-	460.00	460.00	460.00
Ryan Salisbury	PAA	N/A	-	460.00	460.00	460.00
Schindler Elevator Corporation	PAA	39-1	26,027.77	23,399.25	26,027.77	26,027.77

Shannopin Country Club	PAA	N/A	-	151.45	151.45	151.45
SimplexGrinnell	PAA	46-1	794.70	794.70	794.70	794.70
St. Clair Country Club	PAA	N/A	-	2,888.81	2,888.81	2,888.81
Stephen and Amy Dunn	PAA	N/A	-	3,000.00	3,000.00	3,000.00
Sysco Pittsburgh, LLC	PAA	6-1	6,781.01	6,781.01	6,781.01	6,781.01
The Bagel Company	PAA	N/A	-	544.74	544.74	544.74
The Blanche Trust	PAA	N/A	-	30,000.00	30,000.00	30,000.00
The Club at Nevillewood	PAA	N/A	-	189.84	189.84	189.84
The Engineers' Society of Western PA	PAA	N/A	-	464.89	464.89	464.89
The Gray Group, Inc.	PAA	56-1	1,000.00	1,000.00	1,000.00	1,000.00
The Guardian Life Insurance Co. of America	PAA	60-1	242.90	2,028.14	242.90	242.90
Thomas A. Trimbur	PAA	33-1	20,655.89		20,655.89	20,655.89
Thomas P. Trimbur	PAA	N/A	-	16,871.14	16,871.14	16,871.14
Trimbur Insurance Agency	PAA	N/A	-	1,081.00	1,081.00	1,081.00
Under Armour, Inc.	PAA	N/A	-	2,081.78	2,081.78	2,081.78
US Bank Equipment Finance	PAA	10-1	10,864.78	10,864.78	10,864.78	10,864.78
Walmart Stores c/o FMS	PAA	N/A	-	343.56	343.56	343.56
Waugaman Awning Co, Inc.	PAA	N/A	-	450.00	450.00	450.00
Westfield Insurance	PAA	48-1	11,948.00	7,560.00	11,948.00	7,560.00
Witt Pest Control	PAA	N/A	-	1,340.33	1,340.33	1,340.33
Yvonne Rose	PAA	49-1	35,000.00	-	-	-
Total			\$ 6,047,830.58	\$ 5,274,434.14	\$ 3,498,135.51	\$ 3,491,056.58

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

2015**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at www.irs.gov/form990.**A** For the 2015 calendar year, or tax year beginning

, 2015, and ending

, 20

B Check if applicable

- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization

PITTSBURGH ATHLETIC ASSOCIATION

Doing business as

Number and street (or P O box if mail is not delivered to street address)

4215 FIFTH AVENUE

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

PITTSBURGH, PA 15213

F Name and address of principal officer

TOM TRIMBUR

4215 FIFTH AVENUE PITTSBURGH, PA 15213

D Employer identification number

8070

E Telephone number

-2400

G Gross receipts \$

3,114,619.

H(a) Is this a group return for subordinates?Yes ☐ No ☒**H(b)** Are all subordinates included?Yes ☐ No ☐

If "No," attach a list (see instructions)

I Tax-exempt status

501(c)(3)

☒ 501(c)(7)

(insert no)

4947(a)(1) or

527

J Website: ▶ WWW.PAACLUB.ORG**H(c)** Group exemption number ▶**K** Form of organization

Corporation

Trust

☒

Association

Other ▶

L Year of formation 1908**M** State of legal domicile PA**Part I Summary**

Activities & Governance		Revenue		Expenses		Net Assets or Fund Balances	
1 Briefly describe the organization's mission or most significant activities THE PURPOSE OF THE PITTSBURGH ATHLETIC ASSOCIATION IS TO MEET TO AN UNUSUAL EXTENT THE SOCIAL AND PHYSICAL NEEDS OF THE MEN, WOMEN AND CHILDREN OF PITTSBURGH AND VICINI							
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets							
3 Number of voting members of the governing body (Part VI, line 1a)		3	16.				
4 Number of independent voting members of the governing body (Part VI, line 1b)		4	16.				
5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)		5	149.				
6 Total number of volunteers (estimate if necessary)		6					
7a Total unrelated business revenue from Part VIII, column (C), line 12		7a	23,462.				
b Net unrelated business taxable income from Form 990-T, line 34		7b	-141,125.				
		Prior Year	Current Year				
8 Contributions and grants (Part VIII, line 1h)		1,581,909.	1,314,009.				
9 Program service revenue (Part VIII, line 2g)		323,465.	203,921.				
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		5,324.	0.				
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		174,296.	-11,831.				
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		2,084,994.	1,506,099.				
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0.	0.				
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.				
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		1,305,014.	1,155,467.				
16a Professional fundraising fees (Part IX, column (A), line 11e)		0.	0.				
b Total fundraising expenses (Part IX, column (D), line 25) ▶		0.					
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		1,191,755.	1,374,829.				
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)		2,496,769.	2,530,296.				
19 Revenue less expenses Subtract line 18 from line 12		-411,775.	-1,024,197.				
		Beginning of Current Year	End of Year				
20 Total assets (Part X, line 16)		2,790,967.	2,908,727.				
21 Total liabilities (Part X, line 26)		5,606,770.	6,748,727.				
22 Net assets or fund balances Subtract line 21 from line 20		-2,815,803.	-3,840,000.				

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer

TREASURER

Type or print name and title

Paid**Preparer****Use Only**

Print/Type preparer's name

Preparer's signature

Firm's name ▶

Firm's address ▶

May the IRS discuss this return with the preparer shown above? (see instructions)

For Paperwork Reduction Act Notice, see the separate instructions.

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

THE PURPOSE OF THE PITTSBURGH ATHLETIC ASSOCIATION IS TO MEET TO AN
UNUSUAL EXTENT THE SOCIAL AND PHYSICAL NEEDS OF THE MEN, WOMEN AND
CHILDREN OF PITTSBURGH AND VICINITY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 2,372,014. including grants of \$) (Revenue \$ 1,506,099.)
SOCIAL CLUB TO PROVIDE FOOD, BEVERAGE AND ATHLETIC FACILITIES TO
ITS MEMBERS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► 2,372,014.

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A.		X
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III.		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I.		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II.		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	X	
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V.	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	X	
c Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions).		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H.		X
20b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II.		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III.		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J.		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I.		
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I.		
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II.	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III.		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions).		
28a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.		X
28b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV.		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M.		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M.		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I.		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II.		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I.		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2.		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2.		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI.		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

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Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	0.
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0.
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	149
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country ▶		
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	X
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state?	13a	
Note. See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI ☒ X

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 16		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
b Enter the number of voting members included in line 1a, above, who are independent 1b 16		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Did the organization have members or stockholders? 6	X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a	X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a The governing body? 8a	X	
b Each committee with authority to act on behalf of the governing body? 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O 9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates? 10a		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. 12a	X	
12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 12c		X
13 Did the organization have a written whistleblower policy? 13	X	
14 Did the organization have a written document retention and destruction policy? 14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official 15a	X	
b Other officers or key employees of the organization 15b	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► PA,

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☒ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records: ►
 CONTROLLER 4215 FIFTH AVENUE PITTSBURGH, PA 15213 412-621-2400

Part VII**Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response or note to any line in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☒ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) THOMAS TRIMBUR PRESIDENT	10.00	X		X				0.	0.	0.
(2) JAMES SHEEHAN VICE PRESIDENT	10.00	X		X				0.	0.	0.
(3) ROBERT E. DAUER, JR. TREASURER	10.00	X		X				0.	0.	0.
(4) ANN LEE DIRECTOR	2.00	X						0.	0.	0.
(5) WILLIAM OTTO DIRECTOR	2.00	X						0.	0.	0.
(6) BLAKE STANTON DIRECTOR	2.00	X						0.	0.	0.
(7) CLARE DONAHUE DIRECTOR	2.00	X						0.	0.	0.
(8) DR. EUGENE MYERS DIRECTOR	2.00	X						0.	0.	0.
(9) ERIK WAGNER DIRECTOR	2.00	X						0.	0.	0.
(10) FATHER DREW MORGAN DIRECTOR	2.00	X						0.	0.	0.
(11) JOHN A. FREYVOGEL, III PAST PRESIDENT	10.00	X		X				0.	0.	0.
(12) JAMES DONAHUE DIRECTOR	2.00	X						0.	0.	0.
(13) JERRY GAUGHAN DIRECTOR	2.00	X						0.	0.	0.
(14) JONATHAN GLANCE DIRECTOR	2.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
15) JOSEPH DIMENNO ----- DIRECTOR	2.00	X						0.	0.	0.
16) REV. THOMAS BURKE ----- DIRECTOR	2.00	X						0.	0.	0.

1b Sub-total								0.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								0.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 0.

		Yes	No
3	Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶ 0.

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII. ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b	1,113,465.			
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	200,544.			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		1,314,009.			
Program Service Revenue	2a	FITNESS AND BOWLING	Business Code 713990	203,921.	203,921.		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		203,921.			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts).		0.		
4		Income from investment of tax-exempt bond proceeds		0.			
5		Royalties		0.			
6a		Gross rents	(i) Real 203,087.				
b		Less rental expenses	(ii) Personal 179,625.				
c		Rental income or (loss)	23,462.				
d		Net rental income or (loss)		23,462.	23,462.		
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
b		Less cost or other basis and sales expenses					
c		Gain or (loss)					
d		Net gain or (loss)		0.			
8a		Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events		0.			
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities		0.			
10a		Gross sales of inventory, less returns and allowances	a	1,393,602.			
b	Less cost of goods sold	b	1,428,895.				
c	Net income or (loss) from sales of inventory		-35,293.	-35,293.			
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		0.				
12	Total revenue. See instructions		1,506,099.	168,628.	23,462.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	0.			
2 Grants and other assistance to domestic individuals See Part IV, line 22	0.			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	0.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	796,252.	796,252.		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	106,498.	106,498.		
9 Other employee benefits	120,383.	120,383.		
10 Payroll taxes	132,334.	132,334.		
11 Fees for services (non-employees)	0.			
a Management	6,116.	6,116.		
b Legal	0.			
c Accounting	0.			
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17.	0.			
f Investment management fees	0.			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	5,204.	5,204.		
12 Advertising and promotion	1,972.	1,972.		
13 Office expenses	92,373.	92,373.		
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	641,820.	641,820.		
17 Travel	950.	950.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	0.			
20 Interest	311,701.	311,701.		
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	131,250.	131,250.		
23 Insurance	0.			
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e if line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a BAD DEBT EXPENSES	20,500.	20,500.		
b MISCELLANEOUS	162,943.	162,943.		
c TAXES, PERMITS, DUES				
d LINENS				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	2,530,296.	2,530,296.		
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0.			

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X.

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	25,612.	1	51,893.
	2 Savings and temporary cash investments	0.	2	0.
	3 Pledges and grants receivable, net	0.	3	0.
	4 Accounts receivable, net	301,254.	4	581,470.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0.	5	0.
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0.	6	0.
	7 Notes and loans receivable, net	0.	7	0.
	8 Inventories for sale or use	27,466.	8	29,398.
	9 Prepaid expenses and deferred charges	23,265.	9	3,558.
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 6,767,359.		
	b Less accumulated depreciation	10b 5,093,639.		
		1,804,970.	10c	1,673,720.
	11 Investments - publicly traded securities	0.	11	0.
	12 Investments - other securities. See Part IV, line 11	179,261.	12	168,327.
	13 Investments - program-related. See Part IV, line 11	0.	13	0.
	14 Intangible assets	0.	14	0.
15 Other assets. See Part IV, line 11	429,139.	15	400,361.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	2,790,967.	16	2,908,727.	
Liabilities	17 Accounts payable and accrued expenses	2,170,813.	17	2,212,020.
	18 Grants payable	0.	18	0.
	19 Deferred revenue	106,574.	19	89,214.
	20 Tax-exempt bond liabilities	0.	20	0.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0.	21	0.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	215,000.	22	215,000.
	23 Secured mortgages and notes payable to unrelated third parties	3,109,383.	23	4,227,493.
	24 Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	5,000.	25	5,000.
	26 Total liabilities. Add lines 17 through 25	5,606,770.	26	6,748,727.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	-3,470,867.	27	-4,408,688.
	28 Temporarily restricted net assets	179,260.	28	168,327.
	29 Permanently restricted net assets	475,804.	29	400,361.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	-2,815,803.	33	-3,840,000.	
34 Total liabilities and net assets/fund balances	2,790,967.	34	2,908,727.	

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,506,099.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,530,296.
3	Revenue less expenses. Subtract line 2 from line 1	3	-1,024,197.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-2,815,803.
5	Net unrealized gains (losses) on investments	5	0.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-3,840,000.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☐

- 1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant? _____
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both.
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b		X
2c		
3a		
3b		

Form 990 (2015)

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

**Open to Public
Inspection**

Name of the organization

PITTSBURGH ATHLETIC ASSOCIATION

Employer identification number

070

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year) . .		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶	
4 Number of states where property subject to conservation easement is located ▶	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenue included in Form 990, Part VIII, line 1	▶ \$
(ii) Assets included in Form 990, Part X	▶ \$
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items.	
a Revenue included in Form 990, Part VIII, line 1	▶ \$
b Assets included in Form 990, Part X	▶ \$

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2015

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Schedule D (Form 990) 2015

Page **2****Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☒ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	400,361.	411,899.	412,361.	461,175.	500,000.
b Contributions					
c Net investment earnings, gains, and losses		5,324.	11,538.	12,634.	16,573.
d Grants or scholarships					
e Other expenditures for facilities and programs		16,862.	12,000.	73,464.	55,398.
f Administrative expenses	400,361.	400,361.	411,899.	400,345.	461,175.
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ☐ %
 b Permanent endowment ☐ %
 c Temporarily restricted endowment ☐ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)	X	
3a(ii)		X
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		464,163.		464,163.
b Buildings		4,463,933.	3,478,204.	985,729.
c Leasehold improvements				
d Equipment		1,566,253.	1,566,253.	
e Other		273,010.	49,182.	223,828.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				1,673,720.

Schedule D (Form 990) 2015

Schedule D (Form 990) 2015

Page 3

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) INVESTMENT - JACKSON LIBRARY	168,327.	FMV
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
Total (Column (b) must equal Form 990, Part X, col (B) line 12) ►	168,327.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) -----		
(2) -----		
(3) -----		
(4) -----		
(5) -----		
(6) -----		
(7) -----		
(8) -----		
(9) -----		
Total (Column (b) must equal Form 990, Part X, col (B) line 13) ►		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) ENDOWMENT ASSETS (PERMANENT)	400,361.
(2) MORTGAGE ISSUANCE COSTS	
(3) -----	
(4) -----	
(5) -----	
(6) -----	
(7) -----	
(8) -----	
(9) -----	
Total (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	400,361.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) LEGACY CAMPAIGN BOND PAYABLE	5,000.
(3) -----	
(4) -----	
(5) -----	
(6) -----	
(7) -----	
(8) -----	
(9) -----	
Total (Column (b) must equal Form 990, Part X, col (B) line 25) ►	5,000.

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4; Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XIII Supplemental Information (continued)

SCHEDULE L

(Form 990 or 990-EZ)

Transactions With Interested Persons

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

Attach to Form 990 or Form 990-EZ.

Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open To Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

PITTSBURGH ATHLETIC ASSOCIATION

Employer identification number

2070

Part I

Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization. \$

Part II

Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1) BLANCHE TRUST	MEMBER	CASH FLOW		X	215,000.	215,000.	X		X		X	
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total						\$ 215,000.						

Part III

Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2015

Schedule L (Form 990 or 990-EZ) 2015

Page **2****Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2015

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

Name of the organization

Employer identification number

PITTSBURGH ATHLETIC ASSOCIATION

070

FORM 990, PART VI, SECTION A, LINE 7A

THE BOARD OF DIRECTORS IS ELECTED BY BALLOT OF THE MEMBERSHIP.

FORM 990, PART VI, SECTION A, LINE 7B

FULL MEMBERSHIP IS REQUIRED TO VOTE, TO PURCHASE, TO IMPOSE A LIEN, OR TO
ENCUMBER REAL PROPERTY AND FOR THE ASSOCIATION TO EXPEND FUNDS IN EXCESS
OF \$325, AS PER THE MEMBERSHIP BY-LAWS.

FORM 990, PART VI, SECTION B, LINE 11

THE RETURN IS REVIEWED WITH THE TREASURER. THE TREASURER PRESENTS THE
RETURN TO THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 15A & 15B

ALL TOP MANAGEMENT ARE HIRED AT CURRENT MARKET SALARIES AND APPROVED BY
THE BOARD.

FORM 990, PART VI, SECTION C, LINE 19

INFORMATION IS MADE AVAILABLE UPON REQUEST AND 990 INFORMATION IS ALSO
AVAILABLE ON WWW.GUIDESTAR.ORG

FORM 990, PART XII, SECTION 25C

THE ASSOCIATION HAS A FORMAL AUDIT COMMITTEE WHICH ASSUMES RESPONSIBILITY
FOR AUDIT OVERSIGHT AND THE SELECTION OF THE INDEPENDENT ACCOUNTANT. THE
PROCESS IN WHICH THE COMMITTEE FUNCTIONS HAS NOT CHANGED FROM THE PRIOR

Schedule O (Form 990 or 990-EZ) 2015

Page **2**

Name of the organization

Employer identification number

PITTSBURGH ATHLETIC ASSOCIATION

70

YEAR.

ATTACHMENT 1

FORM 990, PART VIII - GROSS SALES AND COST OF GOODS SOLD

GROSS SALES LESS RETURNS AND ALLOWANCES	1,393,602.
INVENTORY AT BEGINNING OF YEAR	
PURCHASES	
SALARIES AND WAGES	
OTHER COSTS	
SUBTOTAL	
MINUS ENDING INVENTORY	
COST OF GOODS SOLD	<u>1,428,895.</u>

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF PENNSYLVANIA

In re:)	
)	
PITTSBURGH ATHLETIC	)	Jointly Administered at:
ASSOCIATION, <i>et al.</i>,	)	Bankruptcy No. 17-22222-JAD
)	
	)	Bankruptcy Nos.
Debtor.	)	17-bk-22222-JAD and
	)	17-bk-22223-JAD
_____)	
	)	Chapter 11
UNITED STATES OF AMERICA,)	
)	
Movant,)	
)	
v.	)	Related to Document No. 419
)	
PITTSBURGH ATHLETIC)	
ASSOCIATION, <i>et al.</i> ,)	
)	
Respondent.)	

CERTIFICATE OF SERVICE

I, Ari D. Kunofsky, certify that on February 1, 2018, I served this *Objection to Confirmation* was served on all parties by filing it with the Clerk's CM/ECF system, specifically including:

Jordan S. Blask, Esquire
Tucker Arensberg, P.C.
1500 One PPG Place
Pittsburgh, PA 15222
Counsel for Debtors

John M. Steiner, Esquire
Leech Tishman Fuscaldo & Lampl LLC
525 William Penn Place
Pittsburgh, PA 15219
Counsel for Official Committee of Unsecured Creditors

Norma Hildenbrand, Esquire
Office of the United States Trustee
Liberty Center, Suite 970
1001 Liberty Avenue
Pittsburgh, PA 15222
United States Trustee

Date: February 1, 2018,

/s/ Ari D. Kunofsky
ARI D. KUNOFSKY
Tax Division
US Department of Justice

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF PENNSYLVANIA

In re:)	
)	
PITTSBURGH ATHLETIC	)	Jointly Administered at:
ASSOCIATION, <i>et al.</i>,	)	Bankruptcy No. 17-22222-JAD
)	
Debtor.	)	Bankruptcy Nos.
	)	17-bk-22222-JAD and
	)	17-bk-22223-JAD
_____)	
	)	Chapter 11
UNITED STATES OF AMERICA,)	
)	
Movant,)	
)	
v.	)	Related to Document No. 419
)	
PITTSBURGH ATHLETIC)	
ASSOCIATION, <i>et al.</i> ,)	
)	
Respondent.)	

ORDER DENYING CONFIRMATION

Upon consideration of the Debtors' Plan, the United States' *Objection*, and after considering the applicable law, facts, and any additional arguments raised by the parties, it is hereby:

ORDERED that confirmation of the Debtors' Plan is DENIED.

SO ORDERED on this ___ day of _____, 2018.

UNITED STATES BANKRUPTCY JUDGE