

MEETING DATE: April 21, 2008

AGENDA ITEM : Approval of Budget Amendments related to the 2008 Fiesta La Ballona.

ATTACHMENTS

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| 1. | Staff report from February 4, 2008 | <u>Pages</u>
1-3 |
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City of Culver City, California
City Council Agenda Item Report

Meeting Date: 02/04/08		Item Number: A-2	
AGENDA ITEM: Receive and File a Report for the 2007 Fiesta La Ballona Event, and Authorize the Reimbursement of the Appropriated Reserves Account.			
Contact Person/Dept.: Jeff Muir, CFO		Phone Number: (310) 253-6016	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Public Notification: Fiesta La Ballona Committee on 01/31/08 and Master Notification List on 01/30/08			
Department Approval: William LaPointe (01/30/08)		City Attorney Approval: Carol Schwab (by H. Baker) (01/30/08)	
Fiscal Impact Review: Jeff Muir (01/30/08)		City Manager Approval: Jerry B. Fulwood (01/30/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council receive and file the attached Expenditure and Revenue Report for the 2007 Fiesta La Ballona event and authorize the reimbursement of the appropriated reserves account. <u>BACKGROUND:</u> The Fiesta La Ballona event (Fiesta) is a community festival that celebrates the heritage of the City of Culver City. The Fiesta began in 1951 as a weeklong celebration with a theme that celebrated the early days of Culver City. Through the years the Fiesta has evolved into a community fair. In 2003 the Fiesta La Ballona Committee made numerous changes to the event including changing the layout, community stage, increasing vendors and increasing mid-week events. In 2004 carnival rides were added as was a Beer & Wine Garden. Over the course of the next two (2) years, vendor participation and attendance has increased at a steady rate. <u>DISCUSSION:</u> The Fiesta of 2007 has been labeled by many as the most successful Fiesta to date. Attachment 1 consists of reports from the 2007 Fiesta La Ballona Committee Chair and Sub-Committee Chairs outlining pertinent information such as the number of Vendor booths, the many successes of the main stage performances, the Beer & Wine Garden, and the Community Stage. 1			

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FISCAL ANALYSIS:

Attachment 2 is the Expenditure and Revenue Report. In 2007, the Fiesta was financed differently than in past years. In the past, all revenues and expenditures for the Fiesta were accounted for in a checking account controlled by the Fiesta Committee. In 2007 this checking account was closed and the account balance of \$79,089.64 was moved into a city-held account (and those funds remain in that account under the care of the City Treasurer). To allow staff to review the transactions which resulted in the \$79,089.64 and to have a "clean slate" for the 2007 Fiesta, the City Council authorized the use of appropriated reserves to serve as start-up funds for the 2007 Fiesta. Also, revenues received since the Fiesta checking account was closed have been deposited into the City's General Fund. All activity was accounted for in a special business unit set up in the City's general ledger just for the Fiesta

As the Expenditure and Revenue report indicates, \$124,605.10 was spent on the 2007 Fiesta and \$125,549.60 was collected in revenues. Of the funds collected, \$102,449.60 were deposited into the General Fund. The other \$23,100 in revenue was deposited into the Fiesta checking account prior to the transfer. It is recommended that this \$23,100 be transferred into the Fiesta revenue account in the General Fund to reimburse the City as part of revenues for the 2007 Fiesta.

This leaves \$55,989.64 in cash left over from the old Fiesta checking account which is not part of the 2007 Fiesta. It is apparent that over the course of the years, the Fiesta La Ballona event revenues coupled with the City donations have more than covered costs. This \$55,989.64 balance would include the funds allocated by the City annually over the years. Because this is a City event, it is recommended the \$55,989.64 be deposited back into the City's General Fund to reimburse it for funds that were not required over the years. The 2007 Fiesta La Ballona event generated a \$944.50 surplus.

Suggestions for Future Year Fiesta Operations

Later in February, Staff will be presenting a comprehensive report which will propose policies for the City Council's consideration relating to the interaction of Culver City Community Groups with the City. Should the City Council determine to provide policy direction at that time, such policy direction would be applicable to the Fiesta La Ballona Committee. Application of that policy direction would impact the method in which future Fiesta La Ballona accounting is performed.

ATTACHMENTS:

1. Reports from the 2007 Fiesta La Ballona Committee Chairs
2. 2007 Expenditure and Revenue Report

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MOTION:

That the City Council;

1. Receive and File the 2007 Fiesta La Ballona Revenue and Expenditure Report, and;
2. Authorize the acceptance of \$55,989.64 from prior Fiesta La Ballona operations currently held in City account 101.127110.
3. Authorize the recordation of \$23,100 as revenue for the 2007 Fiesta and the recordation of said amount under City account 10132810, and; and
4. Authorize the release of the reimbursement to the City General Fund, appropriated reserve account in the amount of \$124,605.10.