

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 11/13/06		Item Number: <u>A-1</u>	
AGENDA ITEM: Discussion of the Culver City Sister City Committee Practices Relating to its Expenditure of Funds			
Contact Person/Dept.: Shelly Wolfberg		Phone Number: (310) 253-6008	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒	Attachments: ☒
Public Notification: Culver City Sister City Committee Chairperson and Master Notification List (11/08/06)			
Department Approval: Martin R. Cole (11/07/2006)		City Manager Approval: Jerry B. Fulwood (11/08/2006)	
City Controller Approval: Marlee Chang (11/06/2006)			

RECOMMENDATION:

Staff recommends the City Council discuss the Culver City Sister City Committee's ("CCSCC") practices relating to its expenditure of funds and direct staff as necessary.

BACKGROUND:

The CCSCC is part of a program that was initiated by former President Dwight D. Eisenhower in 1956 to promote peace, friendship and goodwill between countries through people-to-people contact. On December 10, 1962, the CCSCC became a tax exempt, non profit organization. According to staff review of a CCSCC membership list, there are currently 103 members who are Culver City residents and 36 who live outside the city. All CCSCC members participate on a volunteer basis.

According to CCSCC information, the CCSCC acts to establish relations between cities and foreign countries to link Culver City to a long-term program fostering international understanding through exchange of people, ideas and materials in cultural, educational and commercial areas with select foreign countries. The participating Sister Cities are: Uruapan, Mexico; Kaizuka, Japan; Iksan City, South Korea; and Lethbridge, Canada.

The CCSCC states a mandate to share Culver City with the world and with the spirit of bringing the world to Culver City. The CCSCC states it is engaged in the following activities:

- Youth exchanges
- Home stay high school cultural exchanges

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- Charitable support
- International dignitary recognition
- Civic awareness development

The CCSCC program includes the following activities:

Sister City Exchanges: Visiting Delegations from Culver City to Sister Cities

- Airfare for Chaperones and/or Interpreter from Culver City to Sister City for Student Exchange. *Paid for 100% by General Fund.*
- Airfare for Students. *Paid for 100% by students and their families.*
- Gifts for elected officials. *Paid for 100% by General Fund. Students pay for gifts to the host families.*
- Special trips and overnight accommodations in the Sister City, other than home stay with host families. *Paid by CCSCC Members at their own expense.*

Sister City Exchanges: Visiting Delegations from Sister Cities to Culver City

- Non-official events, home stay meals and refreshments. *CCSCC host families-100%.*
- Admission fees to selected events and venues, and transportation. Venues include Universal Studios and Disneyland in addition to City buildings and Sony Studios. *Delegates - 100% by General Fund; CCSCC Members at their own expense.*

Los Angeles Marathon

- Airfare for Kaizuka, Japan runners to compete in the Los Angeles Marathon. *Paid for 100% by General Fund.*
- Meals and refreshments at restaurants. *Kaizuka Marathon runners and official delegates - 100% by General Fund; CCSCC Members at their own expense.*
- Application Fee at \$75 per runner for two runners from Kaizuka Japan. *Paid for 100% by General Fund.*

CCSCC Special Events

- Quarterly Dinner expenses. *CCSCC Members pay their own expenses.*
- Official event welcoming and closing party for delegates. *Paid for by General Fund or donated from local businesses.*

Membership Dues {*Paid for 100% by General Fund*}

- United States/Mexico Sister Cities Association.
- Sister Cities International.

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Endowments and Donations-*established by individuals.*

- Permanent Endowments have been established for the Casa de Cuna and Casa Hagar Orphanages. Interest accrued from these accounts, which are held in Culver City banks, is sent on a regular basis to these orphanages.
- Scholarship donations to the Culver City High School scholarship fund.

Miscellaneous-*100% paid for by the General Fund.*

- Plaques.
- CCSCC additional stationery, stamps, mailings.
- Officers' business cards.
- CCSCC promotional items used as official gifts to other Sister City Officials.

Location of CCSCC Events

CCSCC members explain that whenever possible, all meals and events are held in Culver City. However, there are times when the delegation visits attractions and restaurants that are outside the city and may find a lower price on goods outside of the city.

The CCSCC has provided the following breakdown of expenditures for FY 2005-06:

Expenses in Culver City	Expenses outside of Culver City when there are No Comparable Culver City Options¹	Expenses outside of Culver City²	Total
\$5,376.63	\$7,029.64	\$784.18	\$13,190.45
41%	53%	6%	100%

¹Expenditures not in Culver City, where there is no CC Alternative, per CCSCC

1. Japan Airline (Tickets for LA Marathon Runners from Kaizuka).
2. LA Marathon (Registration for LA Marathon Runners from Kaizuka).
3. Sister City International (Membership Dues).
4. US Mexico Sister City Mexico (Membership Dues).
5. Sister City International [Washington DC Conference Registration fee (2)]-Note members paid all airfare/rental care and hotel expenses.
6. Korean Airline (Chaperone Airfare).
7. Sister Cities Int'l (CC Artwork registration).
8. Design Etcetera (Artist for Murals for Veterans Memorial Auditorium).
9. Disneyland Tickets and meals (Japanese Students).
10. Universal Studios Tickets and meals.

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²Non Culver City Expenses-Including hats, event materials, restaurants, and some office supplies from businesses outside of Culver City.

DISCUSSION:

At the June 15, 2006 City Council Meeting, the City Council directed staff to bring back a discussion of CCSCC expenditures. Currently, the CCSCC remits all reimbursement requests to the City for payment.

In FY 2005-06, the City Council budgeted \$14,000 for CCSCC activities; \$14,000 is budgeted for the CCSCC in FY 2006-07. Attachment 1 contains the reimbursable expense requests for FY 2005-06. In preparation for this staff report, staff reviewed the FY 2004-05 receipts and notes some reimbursements were made for alcoholic beverages for delegates in addition to reimbursements for meals and activities for CCSCC members. The CCSCC President indicates and staff concurs that these types of reimbursement requests are no longer made to the City.

When discussing this item, Council may choose to give direction to staff to work with the CCSCC to establish policies or procedures, beyond existing practice, regarding the expenditure and reimbursement of funds to the CCSCC.

FISCAL ANALYSIS:

There is no fiscal impact to discuss this item.

ATTACHMENTS:

1. CCSCC Reimbursement Requests for FY 2005-06.

MOTION:

That the City Council:

1. Direct staff to work with members of the CCSCC to further evaluate current practices and have staff return to the City Council with policies and procedures relating to its expenditure of funds;

or

2. Provide other direction to staff.