



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Powell and Members of the City Council

**THROUGH:** David N. Carmany, City Manager

**FROM:** Richard Gill, Parks & Recreation Director  
Bruce Moe, Finance Director

**DATE:** June 19, 2012

**SUBJECT:** Financial Status of Manhattan Beach Centennial Foundation; Approval of \$37,224.38 in City Incurred Expenses for Centennial Items to Date; and Discuss and Provide Direction for the Final Centennial Event, Including Consideration of Appropriating an Amount Not to Exceed \$80,000 for the Event.

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### RECOMMENDATION:

Staff recommends that the City Council: a) receive and file a financial status report on the Manhattan Beach Centennial Foundation; b) approve \$37,224.38 in City incurred expenses for past Centennial meetings and events; c) discuss and provide direction for the final Centennial event; and d) if necessary, appropriate funds for the final Centennial event from the FY 2012-2013 City Council Contingency account<sup>1</sup>, not to exceed \$80,000.

### FISCAL IMPLICATION:

As of June 12, 2012, the City has expended a total of \$64,529.15 on Centennial related events, materials, supplies and services. This includes all expenditures specifically approved by the City Council for this purpose (the City's parade float, parade security and portable restrooms, Centennial seed money, advertising, etc.) as well as those remaining costs (\$37,224.38) which City Council will review and discuss this evening (see Attachment "A"). These exclude City staffing costs in support of the Committee and events, originally estimated at \$169,603 when presented in December 2011 to the City Council. It also excludes a City contract for start-up

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<sup>1</sup> The City Council Contingency Account has been established by City Council Policy, which states that the "account will be available for unanticipated, unbudgeted expenditures and will require City Council approval to spend. The purpose of this account is to provide some flexibility for unforeseen events without the necessity to appropriate additional funds from the City's Unassigned Fund Balance."

support of the Centennial (Lindy Coe-Juell) which totaled \$34,645.

If the City Council wishes to conduct one final Centennial event as proposed in this report, staff has estimated that cost to be \$70,000 to \$80,000 (the description for a final Centennial event is contained in the discussion portion of the report). Because funds for a final event are not allocated in the budget, a supplemental appropriation of funds will be necessary to host the event. Funds totaling \$150,000 are available in the fiscal year 2012-2013 City Council Contingency account if the proposed event is approved.

As of June 12, 2012, the separate Centennial Foundation has an estimated cash balance of \$2,072.

**BACKGROUND:**

During the April 30, 2012 special City Council meeting, the City Council discussed the Centennial Ball that was scheduled for September 22, 2012, expenses the City has incurred for past Centennial meetings and events, and direction for a possible future Centennial event.

After a lengthy discussion, City Council favored one replacement event that combines elements of the original September Beach Ball (live entertainment) and July Downtown Festival events which would include a display of antique cars, game booths, and music (directed toward the beach without a VIP area with catered food). The City Council stated that the size of the event would be determined by the remaining Centennial budget, how much money could be raised, and what the City would be willing to pay and/or contribute for the event.

Additionally, City Council approved the City paying for all security costs along the Centennial parade route including private security costs and additional Public Works costs as well as the City's parade float. City Council directed that the Centennial Committee pay for the Centennial Historic Picnic as well as miscellaneous costs for the parade that were not associated with security along the parade route. The Council also approved Councilmember Montgomery's request to be replaced on the Centennial Committee with Councilmember Howorth.

Lastly, the Council directed staff to analyze and return to City Council as soon as possible with the financial status of the Centennial Foundation and develop ideas for a final Centennial event with associated costs. The City Council took no action regarding the expenses the City had incurred from past Centennial meetings and events.

**DISCUSSION:**

Following the April 30, 2012 City Council meeting, at the request of Councilmember Tell, City staff became involved in reviewing Centennial Foundation finances. The checking account was reviewed and reconciled, outstanding invoices were paid, known costs incurred but not yet invoiced were identified, and deposits of donations and other revenues were made current. City staff believes that all obligations have been identified. Given these transactions, the Centennial Foundation has approximately \$2,072 in available funds.

By way of financial records, City staff met with the Foundation's Treasurer and just recently were provided with all documentation available. The Treasurer indicated that the records may not be

complete for a variety of reasons. Staff is reviewing those documents, and is creating an accounting record in an effort to provide a full reconciliation of Centennial finances. However, it is proving to be very time consuming.

A concern arose regarding filing of tax returns for the Foundation. However, staff has been advised by the Foundation Treasurer that returns were filed for 2010 (the first year of existence) and an extension was filed for the 2011 tax year. Staff will follow up with the Foundation's volunteer accountant to ensure timely filing of the returns for 2011.

Staff anticipates additional revenue to the Foundation through sales of memorabilia including shirts, beach towels, hats, etc. Those will be recorded and reported as sales are transacted.

As mentioned earlier, the City has incurred \$37,224.38 from past Centennial meetings and events (Attachment A). These costs have increased from the amount reported on April 30, 2012. The increase is due, in part, to additional invoiced electrical costs and pressure washing of the street and Civic Center for the Taste event that had not been received, bus transportation for the bands in the parade, and parade signage and notification.

The majority of the other costs are for refreshments for Centennial meetings, Centennial banners along Sepulveda Boulevard and downtown, and electrical upgrades on 13<sup>th</sup> Street between Valley/Morningside. Seeing that the Foundation has very little money, staff recommends that the City approve these expenses as City costs towards the Centennial.

Last, the City Council should discuss and provide direction on whether they would like to see a final Centennial event. During the April 30, 2012 City Council meeting, the Council directed staff and the Centennial Committee to develop plans and cost estimates for a possible final Centennial event combining aspects of the Centennial Ball (live entertainment) and the Downtown Festival that was scheduled for July (antique cars, Downtown Business and Professional Association Open House, Historical Photos and Children's games)—no sponsors area, or alcohol. Council stated that depending on the current financial status of the Centennial Foundation, how much might be raised through additional sponsorships, and what the Council wanted to dedicate from the general fund, a final event could be planned in September.

Staff has discussed, with Ad Hoc councilmembers Howorth and Tell and the Centennial Committee, a proposed final event downtown in September that would contain the following elements:

During the day from 1:00 or 2:00 p.m. to approximately 8:00 or 9:00 p.m., staff is proposing up to 20 old fashioned arcade type games, possibly staffed by community groups as a fundraiser to help offset costs (Attachment B), carnival rides such as two Ferris wheels, and two carousels and refreshments such as cotton candy, popcorn, churros. These activities will take place either in the lower two beach parking lots or along Manhattan Avenue. If approved, staff would work with the Downtown Business and Professional Association (DBPA) for the best locations.

In the upper south parking lot, staff is proposing an antique car show displaying cars from each decade as well as muscle cars and woodies. In the upper north parking lot City non-profits could

display their information with a theme of “Then and Now.”

Councilmember Howorth discussed these ideas with the DBPA as well as an open house, historic scavenger hunt/historic photo displays/dress up in period costumes/Centennial dish and dessert contest/picnic baskets for the concerts, and other ideas that may be developed. If agreed upon, each business can participate in the theme by providing an “old fashioned” dress up day. Local restaurants could also be involved by providing box lunches for people to enjoy while listening to the music. Festivities will be encouraging Manhattan Beach residents to support our local businesses while enjoying an “old fashioned” good time. The car show or the old fashioned arcade games can be located on Manhattan Avenue if the DBPA and the Committee believe that would be better logistically.

Regarding entertainment, one idea is to have groups such as the Hyperion Outfall Serenaders and Mira Costa bands and choral groups playing at the base of the pier throughout the day culminating with a popular signature band playing on the bike path south of the pier facing the beach so people could listen to music on the beach in the early evening as the downtown events and game booths wind down. The bike path would be relocated through the lower parking lots. The estimated cost for the events for this day is approximately \$70,000 to \$80,000. As mentioned earlier, the Centennial Foundation has a minimal balance. If the City Council is interested in this final Centennial event, the City could ask the Committee to try and raise some or all of the funds needed or the City Council could appropriate these funds in next year’s budget from the General Fund.

Staff received an alternative suggestion from Council for a final Centennial event which would include an all day event at the Joslyn Center with facilitators discussing and providing information on the history of Manhattan Beach as well as the future of Manhattan Beach.

**CONCLUSION:**

In conclusion, staff requests approval of \$37,224.38 in City incurred expenses for past Centennial meetings and events and seeks direction on the proposed final event for the Centennial.

**ATTACHMENTS:**

- A. City of Manhattan Beach Centennial Expenditures
- B. Final Event Proposal

**CITY OF MANHATTAN BEACH CENTENNIAL EXPENDITURES  
AS OF 5/24/2012**

**ATTACHMENT A**

<b>FY 2009/2010</b>			
<b>VENDOR</b>	<b>CATEGORY</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
CORNER BAKERY	SUPPLIES	FOOD CENTENNIAL MTG	175.60
CORNER BAKERY	SUPPLIES	FOOD CENTENNIAL CONF	175.60
<b>2009/2010 TOTAL</b>			<u><u>\$ 351.20</u></u>

<b>FY 2010/2011</b>			
<b>VENDOR</b>	<b>CATEGORY</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
CALIFORNIA PIZZA KITCHEN	SUPPLIES	FOOD CENTENNIAL MTG	154.20
COFFEE BEAN	SUPPLIES	COFFEE CENTENNIAL MTG	15.95
COSTCO	SUPPLIES	FOOD CENTENNIAL MTG	27.47
COSTCO	SUPPLIES	FOOD CENTENNIAL MTG	11.99
COSTCO	SUPPLIES	FOOD CENTENNIAL MTG	47.37
GIULIANOS	SUPPLIES	FOOD CENTENNIAL MTG	65.64
HOME DEPOT	SUPPLIES	MISC SUPPLIES	42.97
OFFICE DEPOT	SUPPLIES	OFFICE SUPPLIES	7.83
PEETS COFFEE	SUPPLIES	COFFEE CENTENNIAL MTG	16.00
SUBWAY	SUPPLIES	FOOD CENTENNIAL MTG	27.00
SUBWAY	SUPPLIES	FOOD CENTENNIAL MTG	56.99
SUBWAY	SUPPLIES	FOOD CENTENNIAL MTG	56.99
TARGET	SUPPLIES	FOOD CENTENNIAL MTG	34.91
VONS	SUPPLIES	FOOD CENTENNIAL MTG	42.33
VONS	SUPPLIES	FOOD CENTENNIAL MTG	42.97
VONS	SUPPLIES	FOOD CENTENNIAL MTG	34.47
VONS	SUPPLIES	FOOD CENTENNIAL MTG	12.86
VONS	SUPPLIES	FOOD CENTENNIAL MTG	51.16
<b>2010/2011 TOTAL</b>			<u><u>\$ 749.10</u></u>

**CITY OF MANHATTAN BEACH CENTENNIAL EXPENDITURES  
AS OF 5/24/2012**

**FY 2011/2012**

<b>VENDOR</b>	<b>CATEGORY</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
NEXT DAY FLYERS	ADVERTISING	ADVERTISING CARDS	\$ 247.90
NEXT DAY FLYERS	ADVERTISING	ADVERTISING CARDS	263.12
COMPTON UNIFIED SCHOOL DISTRICT	BUS CHARTER	COMPTON MS BUS - PARADE	566.10
CLE ELECTRIC	ELECTRICAL	ELECTRICAL UPGRADES	2,730.00
CA DEPT OF ALCOHOL BEVERAGE CNTRL	PERMIT	ALCOHOL PERMIT	51.15
CLEANSTREET	STREETSCAPE	STREETSCAPE & CLEAN UP	4,306.72
BASSO	SUPPLIES	FOOD AND DRINKS	36.46
COSTCO	SUPPLIES	MISC UTENSILS	104.81
DEKRA-LITE	SUPPLIES	BANNERS	14,504.56
DOMINO'S	SUPPLIES	FOOD CENTENNIAL MTG	27.15
FRESH BROTHERS	SUPPLIES	FOOD CENTENNIAL VOLUNTEERS	133.34
GRAYBAR	SUPPLIES	ELECTRICAL SUPPLIES	2,492.16
HOME DEPOT	SUPPLIES	ELEC CORD TASTE EVENT	466.52
HOME DEPOT	SUPPLIES	ELEC CORD TASTE EVENT	1,258.52
MAIN ELECTRIC SUPPLY	SUPPLIES	STREET POWER TASTE EVENT	2,184.76
MAIN ELECTRIC SUPPLY	SUPPLIES	STREET POWER TASTE EVENT	408.58
MICHAEL'S	SUPPLIES	CENTENNIAL SUPPLIES FOR EARTHDAY	86.99
NEXT DAY FLYERS	SUPPLIES	TAGS FOR SWAG BAGS	129.36
RALPH'S	SUPPLIES	FOOD CENTENNIAL MTG	5.76
RALPH'S	SUPPLIES	FOOD CENTENNIAL MTG	33.63
RALPH'S	SUPPLIES	FOOD CENTENNIAL MTG	3.50
RALPH'S	SUPPLIES	FOOD CENTENNIAL MTG	15.60
SAHARA	SUPPLIES	CENTENNIAL BAGS	3,534.38
TARGET	SUPPLIES	FOOD TASTE STAFF	27.59
TRADER JOE'S	SUPPLIES	FOOD CENTENNIAL MTG	20.94
VONS	SUPPLIES	FOOD CENTENNIAL MTG	11.84
VONS	SUPPLIES	FOOD CENTENNIAL MTG	7.98
VONS	SUPPLIES	FOOD CENTENNIAL MTG	7.99
VONS	SUPPLIES	FOOD CENTENNIAL MTG	30.68
VONS	SUPPLIES	FOOD CENTENNIAL MTG	3.69
<b>2011/2012 TOTAL</b>			<u>\$ 33,701.78</u>
<b>GRAND TOTAL</b>			<u>\$ 34,802.08</u>

*CITY CENTENNIAL EXPENDITURES AS OF MAY 24, 2012  
CERTAIN EXPENDITURES MAY BE REIMBURSED TO THE CITY BY THE CENTENNIAL COMMITTEE*



**CLIENT:** City of Manhattan Beach  
**Address:** 1400 Highland Ave.  
Manhattan Beach, Ca 90266  
**Contact:** Idris Al-Oboudi

**Date:** July 7, 2012  
**Hours:** 1 pm to 5 pm  
**Attendance:** 2,000 guestimate

• **Carnival/Midway Games**



Twenty(20) Carnival games housed under red and white striped booths. Fun Services' staff will operate these games. Each game is stocked full of prizes for all ages but is NOT included in this quote. Cost range detail on breakdown sheet.

- Ex. 1. Cross Bow Dart 2. 5 Pin Bowling 3. Bumper Car 4. Frustration 5. Bean Bag

• **Concessions**



Five(5) Concession machines will be housed under Five(5) red and white striped booth. Fun Services will provide all supplies and electricity for these machines. Fun Services' staff will operate all machinery.

- Cotton Candy - Maximum 1000 Servings
- Sno Cones - Maximum 1000 Servings
- Popcorn - Maximum 1000 Servings
- Churros - Maximum 1000 Servings
- Nachos w/Chili & Cheese - Maximum 1000 Servings.

• **Rides & Equipment**

Fun Services will also provide all supplies and electricity needed for such equipment.

- 55ft Ferris Wheel will be provided with an attendant.
- Merry Go Round will be provided with an attendant.

CITY OF MANHATTAN BEACH COST BREAKDOWN SHEET FOR  
100<sup>TH</sup> ANNIVERSARY CELEBRATION

20 Carnival/Midway Games w/Red & White Striped Booths	\$2,500.00
Prize Range \$25 to \$100 Per Hour Per Game (\$2,000-\$8,000)	
Staff: 27 x \$100	2,700.00
5 Concession/Food Booths w/Tables	
Cotton Candy	625.00
Sno Cones	400.00
Popcorn	400.00
Cinnamon Churros	700.00
Nachos w/Chili and Cheese	2,500.00
2 Ferris Wheels & 2 Merry Go Round "Guesstimate"	20,000.00
Delivery, Setup and Take Down	<u>475.00</u>
	<b>\$30,300.00</b>