



## Agenda Report

21-1279

Agenda Date: 11/1/2021

### REPORT TO CULTURAL COMMISSION

#### SUBJECT

Discussion of Commission Budget Allocations

#### BACKGROUND

The Cultural Commission's program budget was approved in the amount of \$3,941 for FY2021/22. During the City Council's budget review process and adoption of the FY 2021/22 fiscal year budget, several program areas and departments' budgets and staffing were reduced as a result of the pandemic's economic impacts on City revenues. In turn, the Commission must prioritize programs and activities offered to the community within the approved budget amount.

At the August 2021 Cultural Commission meeting, the Commission discussed strategies to fund programs given the City budget reductions in FY 2021/22. The Commission requested an item be placed on an upcoming Commission agenda to discuss the potential for the City to solicit new funding through business and individual sponsorships to fund programs that are unfunded such as the Summer Concert Series and the Street Dance.

#### DISCUSSION

The citywide special events are approved as part of the City budget which is the financial policy document of the City Council. The Department staff manage the approved events within the approved General Fund subsidy and expenditure levels, and collects revenues through fees, donations and sponsorships. The Parks & Recreation Department is tasked with developing sponsorship opportunities for individuals and businesses.

The Department does not have the discretion to offer events nor to solicit funds for events that have not been approved as part of the City budget review and approval process. For example, the Art & Wine Festival was not approved and did not take place in FY2021/22, but a smaller event, Celebrate Santa Clara, was approved to be held instead. In addition, the Department carefully budgets and allocates its staffing levels required to plan and implement events. Additional hours are not available to support activities that have been eliminated from the City budget.

The Commission will discuss the current fiscal limitations and program planning for the Summer Concert Series and/or the Street Dance in FY 2022-23. Should fundraising be added as Commission Goal for FY 2022-23 events, fundraising efforts will have to follow the City's Donation Policy (Attachment 1), avoid any potential conflicts of interest including conflicts under CA Gov't Code section 1090 and the Political Reform Act (CA Gov't Code section 81000 et seq.). In addition, General Fund expenditures or revenues from a potential event sponsor program would require Council approval of a budget amendment for allocation of funds. Based on current practice, funds solicited for citywide special event support will need to be managed by assigned City staff and in conformance with applicable state and local laws and regulations.

**ENVIRONMENTAL REVIEW**

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

**FISCAL IMPACT**

The fiscal impact is unknown at this time. The City’s adopted budget has eliminated the subsidy for program costs associated with additional Commission events. Any additional expenditures or revenues would require budget amendment and allocation of funds.

**COORDINATION**

This report was coordinated with the Finance Department, City Attorney’s Office, and City Manager’s Office.

**PUBLIC CONTACT**

Public contact was made by posting the Commission Agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) [<mailto:clerk@santaclaraca.gov>](mailto:clerk@santaclaraca.gov).

**RECOMMENDATION**

Continue Commission activities within the currently approved budget levels.

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Approved by: James Teixeira, Director of Parks & Recreation

**Attachments**

1. Council Policy & Procedure 051 - Donations to the City