

## Press Releases

### 04/16/2008 | City Auditor Laura Doud Says That Sea Festival is Generally Doing Well; However, Areas For Improvement Exist

City Auditor Laura Doud released an audit today that assesses the performance of the Sea Festival Association in fulfilling the City's goals under the existing agreement between the City and the Association.

For over 50 years the City has hosted a series of summer community events along the waterfront known as Sea Festival. Prior to the Sea Festival Association becoming the operator in 2005, these events lacked public interest and financial support.

"Our audit found that overall Sea Festival is doing well and credit for this should go to the Sea Festival Association and City staff that worked very hard on this," commented City Auditor Laura Doud. "However, the audit also found some areas that can be improved."

The audit found that there are several issues that the City should address including: the collection of the 2006 Agreement Fee due to the City, the proper calculation of the Agreement Fee under the contract generally, and the use of City staff time to help coordinate and promote Sea Festival. Furthermore, there is ambiguity between the City and the Association about various requirements under the Agreement that should be resolved.

Three general categories were identified in the audit in which improvements can be made: City's Revenue and Expenses Related to Sea Festival; Policies and Procedures; and Contract Clarification.

Within the category of City's Revenue and Expense the audit found that the Sea Festival Association had not paid the City the 2006 fee of approximately \$37,000.

Findings in the categories of Policies and Procedures and Contract Clarification related to the tracking of city staff time, soliciting of sponsorships, and clarifying compliance with the intent of the contract and insurance requirements.

"We have requested that the City Council direct the City staff and the new operators of Sea Festival (International City Racing) to work together to resolve these issues, and I am confident they will," stated the City Auditor. "I am pleased that our office has published this audit. It identifies issues that need to be addressed so that we can move forward with making Sea Festival as beneficial to the City as possible."