



Staff Report

TO: City Council
FROM: Elizabeth Gibbs, City Manager
Darron Usher, Principal Management Analyst
DATE March 18, 2025
SUBJECT: Sponsorship Request for the 2025 Cherry Festival by the Cherry Festival Association

Description Consideration of a sponsorship request from the Cherry Festival Association (CFA) in the amount of \$350,000 to support the 2025 Cherry Festival, which includes funding for free admission, discounted ticket prices, entertainment, community scholarships, and operational expenses.

Background and Analysis:

The Cherry Festival Association (CFA) has been organizing the annual Cherry Festival for over 100 years, fostering community engagement and providing significant economic benefits to the city of Beaumont. Historically, the City has supported the festival through financial sponsorships and logistical assistance when it was previously held at Stewart Park. This year, the CFA is requesting additional financial sponsorship from the City to ensure the festival remains accessible to all residents and continues to offer high-quality entertainment and community programs.

The requested sponsorship funds of \$350,000 is proposed to be allocated as follows:

- **\$135,000** to provide one day of free admission – “Family Night on Thursday” as well as reduced ticket prices for Friday through Sunday, benefiting local families.
- **\$100,000** to enhance the entertainment lineup, maintaining the festival’s reputation and audience appeal.
- **\$65,000** for community scholarships and donations to student programs, small businesses, and service organizations.
- **\$50,000** for operational expenses, including security, ensuring a safe and family-friendly environment.

The CFA’s estimated budget for 2025 is **\$685,000**. The CFA has committed to reallocating any unused sponsorship funds toward additional community donations.

Since 2022, the City has requested that CFA perform a financial audit each year that the CFA requests a city sponsorship. The 2024 financial audit is attached (Attachment B). The audit shows that CFA has net assets of \$337,006 for the year ended December 31, 2024. This balance is after a net loss of \$225,930 from the same year's activities. There were no reportable findings.

Fiscal Impact:

The cost of preparing this staff report is estimated to be \$400.

The City Council approved an amount of \$100,000 in the FY2025 budget for sponsorship of this event. If the request of \$350,000 is granted, a budget amendment would be needed and that item would need to be brought back to Council at a future meeting. It should be noted that this amount exceeds available unprogrammed revenues, therefore, the budget adjustment would require using fund balance as the source of available.

Recommended Action:

Staff recommends City Council authorize \$135,000 to sponsor the 2025 Cherry Festival and cover the costs of providing one day of free admission as well as reduced ticket prices for the remainder of the festival, benefiting local families; and,

Direct staff to issue a purchase order to the Cherry Festival Association allocating \$100,000 from 100-1050-7034-0000 and \$35,000 from 100-1200-7900-0000, thereby avoiding using fund balance.

Attachments:

- A. Sponsorship Request Letter from the Cherry Festival Association
- B. 2024 Cherry Festival Audit