

# MINUTES

## TOURISM EXPENDITURE REVIEW COMMITTEE

November 13, 2002

### Committee Members in Attendance:

Frans N. Mustert, Chairman  
Susan Cruse  
Rod Swaim  
Lanneau H. Siegling  
Ron Carter

### Non-Committee Members:

Tom Sponseller, President/CEO  
Hospitality Association of SC  
  
Kim Harris – TERC Staff

### Meeting Began - 10:20 am

**Minutes from Prior Meeting** – Minutes from the prior meeting were reviewed and approved.

**New Members** – There has been no information on the city manager from Summerville thus far. May need to follow up.

### Discussion Topics:

1. Transportation of Hotel Staff – Transportation provided by a bus company for hotel staff that lives 40 miles or more from the hotel. Should Accommodation tax funds be used to subsidize the cost of providing this service? Is it non-profit? It was suggested to ask John Curry to discuss.
2. Education for Employees – Should Accommodation Tax funds be used to educate hospitality employees on tourist areas, for example, at the technical schools? It is currently not in the law to provide educational opportunities to the employees in the hospitality field, but could prove positive for tourism.
3. Susan Cruse discussed documenting tourist information (by sampling), especially for festivals. Documents would be used to back-up or justify use of A-Tax funds. She suggested that high school students would do the sampling in order to keep cost minimal.

**Status Report on FY 01-02 as follows:**

**Anderson County** – Assigned to Susan Cruse. The Committee questions the Pendleton Merchants Guild being non-profit. A letter was sent to Anderson County on 11/15/02 requesting further documentation as to whether or not the Pendleton Merchant Guild is non-profit. Also must be able to substantiate the percentage of tourism. Waiting for Anderson County's response.

**Town of Greer** – Assigned to Rod Swaim. The Committee feels that the Kids Planet sign is not acceptable unless documentation states that the sign attracts and provides for tourists. The Committee also feels that the Greer Family Festival expenditures are not acceptable unless the promotional expenses are used for out of the area to attract and provide for tourists. The percentage of tourism was also requested. A letter was sent on 11/15/02. Waiting on response.

**Town of Pawley's Island** – According to Lanneau Siegling, using A-Tax funds for governmental finances is unacceptable. It is also questionable whether or not the Civic Association is non-profit. Barbara Brown suggests that the Committee as a whole review the explanation letter provided by Mayor Otis for further insight before making a final decision.

**Letter of Request from Ashby Ward** (RE: 65% Tourism-related Funds) - The Committee agrees that it is legal to use the 65% tourism-related funds to establish a facility; however, the Committee feels that it would not be the best use of A-Tax funds. May be some duplication or over-lapping with other county/city funds.

**Expenditure Reports** – Expenditure reports for the FY01-02 have been assigned and distributed among the members of the Committee. Approximately 10 expenditure reports had not been received at the time of the meeting (November 13, 2002). The Committee agreed that counties and municipalities be reminded that after December 1, 2002, it could be fined \$500 per

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month for failure to file. The Committee agreed to allow up to Dec 1. Will discuss expenditure reports at the next meeting (Jan. 8, 2003).

### **SC Freedom of Information Request –**

1. Dr. John Crotts, College of Charleston School of Business, requested A-Tax information to head a project regarding how A-Tax funds are spent. Mr. Frans Mustert permitted Kim Harris to make copies of the FY2001-02 expenditure reports requested by Dr. Crotts and mail the reports to Dr. Crotts (12/8/02). Dr. Crotts will send the results of his findings to the Committee at the completion of the project.

### **Other Business:**

1. **Personalized License Tags** - Lanneau Siegling requested that a letter be sent to the Department of Public Safety regarding personalized license tags for TERC Committee members. A letter with Senate Bill 349 attached was sent on Nov. 15, 2002. Waiting for a response from Laurie Smith. Lanneau stated that a minimum of five tags be requested.
2. **“How We Do Business”** – The Committee agreed that an internal procedures manual needs to be completed. Will get with Mr. Frans N. Mustert to discuss the contents of the manual.
3. **Journalize All Letters** – Lanneau suggested that a three-ring binder be used to compile all incoming and outgoing letters to the counties and municipalities. A great quick reference!
4. **Membership List** - Due to changes in TERC staff and new appointees, a revised membership list will be completed and distributed via email to each member.
5. **Meeting Locations** – It was suggested by Lanneau that TERC meetings be held in different locations. Per the Committee, the tentative meeting schedule is as follows:

**December 18, 2002 – (Rescheduled to January 8, 2003)**

**January 8, 2002 – Columbia, SC (Dept. of Revenue) (Changed from Dec. 18)**

**February 6, 2002 – Greenville, SC**

**March 12, 2002 – Charleston, SC**

**Meeting Adjourned – 12:45 pm**

