

**TOURISM EXPENDITURE REVIEW COMMITTEE  
MEETING MINUTES  
June 13, 2005  
Room 2E21, SCDOR  
10 a.m.**

**ATTENDANCE:**

**Committee Members in Attendance:** Frans Mustert, Chairman, Lanneau Siegling, Vice Chairman, Rod Swaim, Mark Williams, Susan Cruse, Susie Surkamer.

**Staff in Attendance:** Damita Jeter, TERC Staff.

**Guests in Attendance:** John Hoefler, Willoughby and Hoefler; Tom Sponseller, SC Hospitality Association, Jayne Scarborough, Olde English District; Sydney Everett, SC Association of Counties; Tammy Barkley, City of Cayce; Tim Todd, Discover Upcountry Carolina Association; Vicki Fletcher.

**CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:**

- **Minutes Approval:** The Committee motioned to approve the March 7, 2005 meeting minutes as submitted.
- **Myrtle Beach Withholding:** Mr. Hoefler updated the Committee on what stage we are in with the Myrtle Beach case. The court has denied Myrtle Beach's request to treat the case as an appeal. He said the hearing is set for mid-August and might require committee/staff testimony. He will continue to keep the Committee updated.
- **TERC Legislation:** Mr. Sponseller informed the Committee that TERC's cleanup language was stricken down again this legislative session. He cited Senate Bill 27 as a possible reason why SCDOR was not willing to attach cleanup language for TERC in its BAT bill. Chairman Mustert said he would like to schedule a meeting with Burnie Maybank and Meredith Cleland of SCDOR before the next legislative session to see how TERC could get its language attached.
- **Senate Bill 0027:** The Governor vetoed the Bill and the veto was overridden by the Senate. The House will take up the veto consideration again in January 2006. TERC members were encouraged to contact their legislators regarding the bill and let them know the importance of TERC keeping its same oversight authority.
- **Committee Appointments:** Mrs. Jeter informed the Committee that she was communicating with the Governor's Office and various associations regarding committee vacancies.

**The Committee then entered into executive session to discuss atax usage for fireworks and the Folly Beach Tourism Promotion Committee.**

- **City of Aiken:** The City of Aiken corresponded with the Committee regarding two items: 1) **Triple Crown Street Fair:** The event was to be held in Aiken in April, however, inclement weather prevented it. Aiken wanted to know if it could still award the

organization funds for advertising it had already done to attract tourists to the event. The Committee unanimously approved allowing Aiken to reimburse the Triple Crown Street Fair for tourism advertising, although the event was cancelled. **2) Request for The City of Aiken to use carried over funds.** The City corresponded with the Committee regarding an error it found during an internal audit. It appears because of a clerical error the City has not expended enough of its state accommodations tax funds and has an excess of \$100,000.00 in its accommodations tax account. The City came up with a very detailed plan of how to spend the funds in order to attract tourists. The Committee voted unanimously to approve the City's plan and allow them to expend the funds in the manner they communicated.

- **City of Lake City:** The City had asked that its carry forward funds be used to purchase items from museum and library. Its request was based on the fact that it believed the acquirement of these items in the future could become a tourism attraction. The Committee voted unanimously to approve the City's request.
- **Georgetown County:** The County wished to obtain TERC's approval for a \$20,580 expenditure (already approved by the local committee) to maintain median landscaping in the County. TERC approved the expenditure, however, will state in its correspondence that landscaping is not "the best use of funds."
- **Town of Mt. Pleasant:** The Town has once again requested to carry forward its funds beyond the two-year time frame in order to allot it to the Visitor Center, which should be implemented by 2006. The Committee unanimously approved the request.
- **City of Cayce:** The Committee heard from Tammy Barkley with the City of Cayce regarding the Committee's decision to withhold funds for a museum acquisition project. After discussion with Ms. Barkley, the Committee overturned its decision based on the fact that Ms. Barkley conveyed that the acquisition and improvements to the museum would eventually be used to attract more tourists to the area. The Committee also stated that it would encourage the City of Cayce to continue using atax funds to promote to tourists the museum and other attractions.

**The following are explanations given to the Committee by the entities listed below. The Committee had previously questioned items after reviewing the entities' FY 03-04 Accommodations Tax Report.**

**REVIEWED BY SUSAN CRUSE:**

- **City of Clemson** – After review, the Committee wished to further question the Anglican Church Event. It was unable to determine from the information sent, how the funds were spent on advertising.
- **Aiken County** – approved.
- **City of Greenville** – approved
- **Jasper County** – a follow up letter regarding questions the County had will be sent.
- **Anderson County** – carry forward explanation okay.

- **Newberry County** – the Committee approved the fireworks show for this entity because it was proven that it was cultural event that was held during July 4<sup>th</sup> weekend.
- **City of Hardeeville** – approved.
- **Greenville County** – approved.
- **City of Beaufort** – the city’s local committee is in compliance.
- **Oconee County** – TERC voted to request more information regarding several expenditures.
- **City of Simpsonville** – TERC voted to approve the expenditure for the South Greenville County fair, which it had previously determined as noncompliant, due to the supply of information, which proved it was for advertising. However, the Committee will state in its letter that funds would be better used for other purposes, such as advertising the fair directly.

**REVIEWED BY MARK WILLIAMS/JOHN CURRY**

- **Laurens County** – Committee makeup approved.
- **Town of Duncan** - TERC motioned to allow the funding of the Middle Tyger YMCA parking lot project. However, in its letter, TERC suggested the Town use search for better uses of the funds.
- **City of Clinton** – approved.
- **Surfside Beach** – TERC approved the City continuing to carry forward funds for its beach re-nourishment project. TERC voted to approve funding, however, asked the town to reapply for TERC’s opinion in 2007.
- **City of Walterboro** – TERC examined the City’s expenditures that it had previously questioned, which the expenditure was for the Rice Creek Festival and a reimbursement to the City Manager for lunch with the atax committee. TERC voted to reaffirm its position and withhold funds for the noncompliant expenditure.
- **Town of Pawley’s Island** – approved the nonprofit status of the 30% recipient.

**REVIEWED BY LANNEAU SIEGLING:**

- **City of Gaffney** – approved.
- **Florence County** – TERC voted to reaffirm its position and voted to withhold funds in the amount of \$6,000.00 for a noncompliant expenditure.
- **City of Florence** – TERC voted to re-affirm its position and withhold funds in the amount of \$7,500.00 for a noncompliant expenditure.
- **Spartanburg County** – TERC voted to reaffirm its position on the noncompliant expenditure for funds spent at a restaurant. It also voted to withhold \$50,000.00 from the County for the operational expense of USC Spartanburg athletic facility.

**REVIEWED BY SUSIE SURKAMER/ROD SWAIM:**

- **Town of Summerton** – okay
- **Clarendon County** – okay
- **Dorchester County** – carried over
- **City of Dillon** – carried over

- Town of Kiawah Island** – TERC voted to reaffirm its position and withhold funds in the amount of \$366.00 for a noncompliant expenditure.
- City of Folly Beach** – Previous report had a mathematical error, which caused an imbalance. It was corrected and an amended report was submitted.

**There being no other business, the meeting adjourned.**

**Respectfully Submitted,**

*Damita S. Jeter*

**Damita S. Jeter, TERC Staff**