

**TOURISM EXPENDITURE REVIEW COMMITTEE
MEETING MINUTES
May 8, 2006
Room 2E21, SCDOR
10 a.m.**

ATTENDANCE:

Committee Members in Attendance: Frans Mustert, Chairman; Lanneau Siegling, Vice Chairman, Rod Swaim, John Curry, Susie Surkamer, Susan Cruse, Toni Nance, Ed Riggs.

Staff in Attendance: Damita Jeter, TERC Staff.

Counsel in Attendance: John Hoefler, Willoughby and Hoefler

Guests in Attendance: Tom Sponseller, Hospitality Association of SC; Dale Powell, Pickens County

CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:

- **Minutes Approval:** The Committee motioned to approve the minutes from the March 13 meeting and the March 21 special meeting.
- **Travel Vouchers and TERC Budget:** The Committee remitted travel vouchers to Mrs. Jeter. TERC reviewed its expenses for the quarter. Mrs. Jeter was asked to have the Accounting Department further breakdown expenses, including attorney's fees.
- **Governor's Conference:** Mrs. Nance reported that 31 people rated TERC's session at the Governor's Conference. Of those, 87% rated the session excellent or good. TERC members stated they would be happy to participate in a panel discussion again next year, but did not wish to be put on the agenda during an optional day.
- **Pickens County discussion** – Dale Powell, representative from Pickens County, discussed various expenditures that TERC had previously questioned. After some discussion, TERC voted to approve the expenditures for the Pickens County Golden Games, the Central Heritage Festival (change the coding to advertising), Azalea Festival and the Pumpkin Festival. TERC voted to withhold \$1,000.00 for the Red Cross event based on the fact that it was a fundraising event. Additionally, TERC voted to withhold funds for the Norris Community Festival in the amount of \$1,560.00. This was based on the fact that all of the funds, minus \$440 in advertising, went to the operation of the festival, which is a local event. TERC told Mr. Powell it would get back to him regarding the approval of restrooms for the Long Shoals Wayside Park, which Mr. Powell said is utilized by tourists. TERC members told Mr. Powell that the County should consider the advice of the local accommodations tax advisory committee. The local committee did not approve either of the events in which TERC withheld funds. Both they considered to be local events.
- **Budget Proviso:** Tom Sponseller gave an update on a budget proviso that had passed both House and Senate budget committees. At this point the only way to get the proviso stricken is to have the Governor veto it. The language states that for both state and local accommodations taxes, any monies withheld by the Committee prior to July 1, 2006 will

be refunded. After much discussion, TERC decided that it would not behoove the committee to oppose the provision, but asked Tom Sponseller to discuss the matter with various legislators and make an effort to change the effective date to July 1, 2005.

- **TERC voted to go into executive session to discuss confidential matters with its attorney. When TERC adjourned from executive session, no votes were taken.**
- **TERC's Interpretation of High Concentration Language and Discussion of Lighting and Landscaping:** The Committee agreed to table both matters and put it on next month's agenda.
- **City of Walterboro:** The Committee received correspondence from the City regarding questions on the applicability of atax funds to help fund lighting. Based on the information it received, TERC voted to correspond with the City to tell them that it would appear that lighting would be acceptable in the case of the City. TERC is still examining the issue on a broad basis and is still of the belief that it is not the best use of funds. However, in the case of Walterboro, it does appear that the lighting serves and attracts tourists. Lanneau Siegling cast a dissenting vote.
- **Georgetown County:** TERC received correspondence from the County regarding a question of community street lights submitted by the African American Community Coalition. Based on the information received by TERC, it appears that the lights would be erected in non-tourism residential area. TERC voted unanimously the expenditure would not be appropriate with the information provided.
- **Clarendon County:** TERC received correspondence from the County regarding requesting the appropriateness of using atax funds to 1) commission artists for painting murals and then using part of those funds to distribute brochures 2) conduct a marketing study. TERC voted that neither request would be acceptable. The only acceptable portion would be to produce brochures to promote the murals once completed, but only if those brochures were placed across the state or out of state in order to attract tourists.

The Committee then reviewed correspondence received from the following entities' regarding their FY 04-05 Accommodations Tax Reporting Forms. The following had been sent letters questioning various items such as their 65% expenditures, their 30% recipients, accurate coding, balancing issues, their local committee compliance, and various questions TERC had regarding certain expenditures.

Susan/Lisa – City of Greenville (approved questions it had previously about coding), Jasper County (carried over to June meeting)

Kevin/Lanneau – Lexington County (carried over to June meeting), City of Spartanburg, (carried over to June meeting), Spartanburg County (carried over to June meeting), Pickens County (After more discussion regarding the presentation from Mr. Powell, TERC voted to approve the funding to Long Shoals Wayside Park restroom project, but it is based on the area being part of the scenic highway which is a tourist attraction), City of Georgetown (TERC approved the fire escape expenditure), Colleton County (TERC approved the County's expenditure in the Southeast Film Guide. Susie Surkamer opposed the motion to approve).

Mark/John- City of Columbia (TERC approved questions it had previously and the City submitted a new report that clarified previous questions), City of Hartsville (carried over to June meeting), Pawley's Island (The Town revised its reporting

form, which answered TERC's original questions), Town of Ridgeland (The Town has not sent in additional information regarding TERC's vote to withhold funds, therefore, TERC will correspond with the State Treasurer, Myrtle Beach (According to the information it received, TERC approved questions it had previously of the City, including the expenditure to the Planning Department and the City of Myrtle Beach General Fund).

Rod/Susie – Florence County (TERC voted to withhold funds for the Darlington Raceway, which is for profit), Mt. Pleasant (TERC approved the expenditure for the Charleston Symphony Orchestra, however, it will direct the STO to withhold funds for bank charges), Charleston (TERC approved questions it had previously about Charleston's funding), Isle of Palms (TERC voted to withhold funds for the following: Half rubber tournament, tennis court resurfacing, bank charges), Sullivans Island (Town hopes to have the vacancies on its local committee filled by late May)

Rod/Susie (All held over until next meeting)- City of Dillon, Dillon County, City of Goose Creek, Town of Santee, Charleston County, Kiawah Island

The next meeting of TERC will be held June 5 at 10 a.m. at SCDOR.

There being no other business, the meeting adjourned.

Respectfully Submitted,
Damita S. Jeter
Damita S. Jeter, TERC Staff