

**TOURISM EXPENDITURE REVIEW COMMITTEE  
MEETING MINUTES  
October 29, 2007  
Room 2E21, SCDOR  
10 a.m.**

**ATTENDANCE:**

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

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

**Guests in Attendance:** John Hoefer, TERC Counsel; Kent Lesesne, SC Association of Counties.

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

- **Minutes Approval:** The Committee motioned to approve the minutes from the August 27, 2007 meeting.
- **Travel Vouchers:** The Committee remitted travel vouchers to Mrs. Jeter.
- **TERC Budget:** Mrs. Jeter explained the TERC budget including a breakdown of attorney's fees.
- **Legislative Updates:** *Cleanup Language:* Frans will continue to work with Meredith Cleland at the SCDOR to see if TERC can insert its cleanup language in the BAT bill this legislative session.

TERC voted to go into executive session to discuss confidential matters with its counsel, John Hoefer, Willoughby and Hoefer. Susie Surkamer motioned to come out of executive session, seconded by Kevin Yokim and approved unanimously by TERC members.

**QUESTIONS FOR COMMITTEE:**

- **State Treasurer's Office:** Because of the way the state atax statute is worded, the State Treasurer's office currently has to insert a yearly budget proviso in order to have withheld funds re-distributed to all non-offending local governments. Paul Jarvis of the State Treasurer's Office wanted clarification as to whether or not TERC would want to continue this or distribute the withheld funds to the 11 tourism regions, as was once discussed as a possible option.

After discussion, John Curry motioned to maintain the current policy of sending the funds non-offending local governments. The motion was seconded by Rod Swaim and approved with a dissenting vote by Susan Cruse.

- **Impact Studies:** Because TERC receives many requests for approval of use of atax funds to fund impact studies, it was discussed in the October meeting. TERC decided that since all studies are not the same, some being tourism related and some having very little tourism impact, it would examine impact or marketing studies on a case by case basis.
- **Charleston County:** Every year, Charleston County is exempt from filing a state accommodations tax reporting form. This is due, in part, to the rentals and the unincorporated areas of the County. Mrs. Jeter would confirm with SCDOR that this is the case for 06-07 reporting and notify the committee.
- **Feedback on Website:** Frans Mustert asked Damita Jeter about the feedback she received from the changes on the website, specifically putting all reporting forms online. Mrs. Jeter said many local governments said it was a positive change.

**The Committee is in the process of reviewing FY 06-07 Accommodations Tax Reporting Forms. The following entities will be questioned about various items such as their 65% expenditures, their 30% recipients, accurate coding, balancing issues, and their local committee compliance. Those from which TERC voted to withhold funds will receive the chance to provide additional information in person at a TERC meeting or via written correspondence. TERC also will remind entities about its attorney's legal opinion concerning sporting events:**

**Reviewed by Susan Cruse/Lisa Martin**

- **Greenville:** The city will be questioned on several expenditures (including nonprofit status of Gold Wings) as well as balancing errors.
- **Newberry:** will change certain coding internally.
- **Oconee County:** will change certain coding internally.

**Reviewed by Kevin Yokim/Ed Riggs/Lanneau Siegling**

- **Cherokee County:** okay
- **City of Columbia:** After reviewing the reporting form, several TERC members called into question the funding of more than \$15,000 for the Carolina Carrillon parade. It appears that the attendees were local rather than tourists. Based on the tourism impact, TERC voted to withhold all but 10% of the funding, which was a total of \$14,027.40. Mark Williams and Kevin Yokim cast dissenting votes. Additionally, the City will be questioned on several expenditures.
- **Clarendon County:** TERC will question the landscaping expenditure and why it is coded as advertising.
- **Lexington County:** TERC will question several expenditures for tourism impact.
- **Georgetown:** TERC will question the balance of funds. It appears the City is not spending enough funds.

**Reviewed by Mark Williams/John Curry**

- **Hartsville:** Will question why Darlington County Tourism records such high tourism numbers on various events.
- **Laurens County:** will question why side A does not match side B of the reporting form.
- **Myrtle Beach:** The city gives most of its funding to itself in order to cover additional municipal services. Although this practice is common in some of the “high concentration areas,” TERC will request the City to breakdown the funds given to each department.
- **Surfside Beach:** TERC needs to get a new request for an extension of the deadline to expend funds. The city is saving funds for beach erosion projects. Will also confirm a recipient of funds (Guy Daniels Surf Off) is nonprofit.
- **York County:** Mrs. Jeter will make sure that a local committee member who is employed by the Chamber is not a conflict of interest.

**Reviewed by Rod Swaim/Susie Surkamer**

- **Dorchester County:** Will question the cultural member’s affiliation with Clemson Extension.
- **City of Florence-okay**
- **Lake City – okay**
- **Sullivans Island – okay**
- **Isle of Palms – need to correct balances.**
  - **St. George -** The Town reports that a payment of \$4,600 for 30% funds has not cleared. TERC asked them to follow up on that matter and copied SCDOR on its response. To date, TERC had not received a response; therefore, it voted to withhold \$4,600 from 30% funds for noncompliance. Kevin Yokim and Mark Williams cast dissenting votes.

**OTHER BUSINESS:**

- **Governor’s Conference:** The next Governor’s Conference on Travel and Tourism will be held at the Columbia Convention Center with sleeping rooms available at the Hilton. TERC’s presentation will take place from 9 to 10:30 on Feb. 13. Mrs. Jeter will send more information when available.

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

There being no other business, the meeting adjourned.

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