

**TOURISM EXPENDITURE REVIEW COMMITTEE
MEETING MINUTES**

August 25, 2008

Civil War Relic Room, SCDOR

10 a.m.

ATTENDANCE:

Committee Members in Attendance in Relic Room: Frans Mustert, Chairman; Lanneau Siegling, Susan Cruse, John Curry, Kevin Yokim, Mark Williams, Rod Swaim, and Edward Riggs.

Staff in Attendance: Lauren Sponseller, TERC Staff.

Guests in Attendance: John Hoefler, TERC Counsel.

CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:

- **Introduction of New TERC staff member:** Chairman Mustert formally introduced Lauren Sponseller as the new Committee staff person.
- **Travel Vouchers:** The Committee remitted travel vouchers to Mrs. Sponseller.
- **Minutes Approval:** The Committee motioned to approve the minutes from the June 16, 2008 meeting.
- **June and July Budgets:** Chairman Mustert asked the Committee to review monthly budgets, and asked for any questions. No questions or concerns were stated.

TERC voted to go into executive session to discuss confidential matters with its counsel, John Hoefler, Willoughby and Hoefler.

The Committee voted to come out of executive session, and the following motions were made:

- **City of Myrtle Beach:** \$100,000 was approved and disbursed to Myrtle Beach Corporation for the Arts for projects that include but not limited to Rivoli Theater in 2006/2007, and \$75,000 was approved and dispersed in 2005/2006. It was reported that this money was never disbursed, and TERC wishes to question what happened to the funds. TERC determined that the city must file an amended report that explains what the money was actually spent on, and to provide expenditures for 04/05, 05/06, and 06/07.
- **Oconee County Heritage Center Project:** Mrs. Cruse gave an explanation of the proposed project, which is to open a museum in Westminster, SC that will house the collection from the England's General Merchandise store in order to bring tourism to the area. The Committee was of the opinion that the project was appropriate given that the project is arts-related.
- **Question from Oconee County:** Oconee County's Atax Committee sent a question in regarding set-up and printing of brochures, and whether or not this could be considered as in-kind. The Committee unanimously approved, since the brochures are being used for advertising.

- **Surfside Beach Atax Committee Vacancy:** One of the positions currently open is a representative for cultural organizations within the municipality. They have an applicant who currently works on a local television show who does a food spot and is also involved in an annual Surf Off the town has, and also attends and promotes local festivals etc., and want to know if this applicant would be approved. The Committee unanimously approved the applicant.
- **City of Florence:** Article submitted by Ms. Toni Nance regarding their Juneteenth Celebration that was planned for August of 2008 and \$7,400 was approved and disbursed from the local government. The event was never held, and it is not clear where or how the money was spent. Mr. Williams motioned to write the city a letter asking for more information, and Mr. Seigling seconded. The Committee unanimously approved.
- **Georgetown County:** Mr. Swaim gave an explanation of complaint by SC Watermedia Society regarding the application process for receiving atax money from the County. Mr. Hoefler stated that Section 6-4-25 (B) explains that a municipality or county and its advisory committee shall adopt guidelines to fit the needs and time schedules of the area. The guidelines must include the requirements for applications for funds from the special fund used for tourism-related expenditures. The Committee unanimously agreed to ask Georgetown County for its guidelines, to give further explanation as to why they have excluded “festivals” from their application process.
- **Vacancy on TERC Committee:** Chairman Mustert stated that the SC Travel and Tourism Coalition nominated Andy Cajka, and that TERC is awaiting approval from the Governor.

PRESENTATION:

- **Surfside Beach Pier Project:** Ed Booth, Surfside Beach City Manager, and Allen Deaton, Mayor of Surfside Beach presented TERC with packets that included plans for the Surfside Beach Pier. The town requested permission for the accommodations tax funds (\$859,872), previously differed, to be reallocated from beach re-nourishment to the purchase of the Surfside Beach Pier, currently privately owned. The presentation included information on the fact that the current owner has intentions of destroying the pier and putting a development in its place. Residents and tourist have identified the pier as the primary tourist related attraction within Surfside Beach, noting that it generates approximately \$300,000 per year in net revenue. The representatives stated that the current issue of purchasing the pier would be a one-time only request for funds, and only promotional advertising and tourist related entertainment funds would be requested in future accommodations taxes. After careful review, Mr. Curry motioned that this be allowed. TERC does suggest that the city addresses the local advisory committee and request the change of the earmark. This motion was seconded by Mr. Seigling, and passed unanimously by TERC, stating that this is a one-time only project.

RESPONSES TO JUNE LETTERS:

The following entities responded to questions generated by TERC as a result of June’s meeting. 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:

Reviewed by Mark Williams/John Curry

- **Horry County:** Representatives from Horry County were present to answer questions regarding the validity of Horry County’s Arts and Cultural Enhancement’s (ACE)

Executive Director's full salary being funded by state accommodations taxes. Sandi Kendrick, the current Executive Director of ACE, and Fred Liner, Chief Financial Officer for Horry County were present to give an explanation of the current situation, and to answer any questions from TERC. TERC stated the fact that they object to Horry County paying more than half of ACE's Executive Director's salary. Mr. Curry motioned to write a letter to the local advisory committee stating that TERC will ask to withhold funds on anything over half of the salary, and Mr. Riggs seconded. The Committee unanimously approved the decision, noting that the amount spent should be in direct proportion to the amount of tourists that attend the events.

Reviewed by Susan Cruse

- **Greenwood County:** TERC approved changes made, but had improper coding on some of its expenditures. They are now corrected.

Reviewed by Kevin Yokim/Ed Riggs/Lanneau Siegling

- **Chester County:** TERC determined that there is still not enough information provided, and that information provided needs to be clarified.

The next regularly scheduled meeting of TERC will be Wednesday, November 12, 2008.

There being no other business, the meeting adjourned.

Respectfully Submitted,

Lauren Sponseller

Lauren Sponseller, TERC Staff