

**TOURISM EXPENDITURE REVIEW COMMITTEE  
MEETING MINUTES  
February 25, 2008  
Room 2E21, SCDOR  
10 a.m.**

**ATTENDANCE:**

**Committee Members in Attendance:** Frans Mustert, Chairman; John Curry, Toni Nance, Ed Riggs, Mark Williams, Kevin Yokim and Susie Surkamer.

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

**Guests in Attendance:** John Hoefer, TERC Counsel; Gina Steedley, Jeanine Rhodes, Wanda McCarley - Town of Edisto Beach Atax Committee

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

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

- **Minutes Approval:** The Committee motioned to approve the minutes from the December 10, 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. Mr. Hoefer will be asked to breakdown his fees according to litigation vs. advice.
- **Cleanup Language:** Chairman Mustert met with Kevin Yokim and Mark Williams before the TERC meeting. Frans at that point asked Kevin and Mark to go to the SC Association of Counties and The Municipal Association of SC to ask them how we can come together to get the cleanup language attached to the BAT bill.
- **Resignation of Lisa Martin:** Lisa Martin, who was appointed to TERC at the recommendation of the Travel and Tourism Coalition, resigned due to personal and professional obligations. Mrs. Jeter said she would get in touch with Bennish Brown, her contact for the Coalition, to inform him and start working on a replacement.
- **Governor's Conference:** TERC gave a presentation at this year's Governor's Conference on February 13. Toni Nance said the evaluations should be in soon. Chairman Mustert asked if we could change the time in order to attract more people, however, Toni said this is the only time slot available.
- **Non reporting-** Greenwood County and Beaufort County have still not reported. Mr. Curry was working with Beaufort County and the form should be in soon. TERC had previously voted to request the State Treasurer's Office to withhold funds for non-reporting for Greenwood County.

**QUESTIONS FOR COMMITTEE:**

Several representatives of the Edisto Beach atax committee were present to ask questions in follow up to a letter it had sent regarding several expenditures made by the Town, one of the most concerning being a purchase by the Town of property known as the “Bell Buoy” property. In its funding scenario, it would be using accommodations tax funds to retire the interest on the bond referendum which had passed in November, to purchase the property. In information sent to TERC it appeared that the property would be used to develop a “museum” type facility dedicated to the shrimping industry, which is applicable to Section 6-4-15. However, the Town failed to submit an application to the local accommodations tax committee for funding. It had since done so, but the local committee felt as though the application was an “afterthought.” After much discussion, Mr. Curry made a motion to write a letter to the Town, and copy the local committee, that it appears the property was closed on prior to the atax application being made to the local committee and this would be an unauthorized use of funds. Mr. Ed Riggs seconded the motion. However at this point, the Committee did not have a quorum, therefore, the motion was tabled.

**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**

- **City of Anderson:** okay.
- **Anderson County:** will write a letter asking him to submit more detail as well as his atax committee list.
- **City of Clemson:** Will notify them via email that TERC changed codes internally.
- **City of Easley:** Will notify them via email that TERC changed codes internally. Also will ask them to keep TERC apprised of their progress on filling a vacant committee slot.
- **City of Greenville:** Will write them a letter questioning the nonprofit status of the Southern Hospitality Group Event Management. The event itself looks okay, but the recipient might be for profit.
- **Hardeeville:** will write them a letter asking them to keep TERC apprised of its progress on filling a committee vacancy.
- **Hilton Head Island:** change coding internally, notify city via email.
- **Pickens County:** Ask the County to clarify how much funds should go to each code in multi-coded project categories.
- **Seneca** okay.
- **Simpsonville:** okay

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

- **Colleton County:** okay

**Reviewed by Mark Williams/John Curry**

- **City of Clinton:** okay
- **City of Conway:** okay
- **Darlington County:** okay
- **Orangeburg County:** okay
- **City of Sumter:** okay
- **Sumter County:** okay

**Reviewed by Rod Swaim/Susie Surkamer**

- **City of Dillon:** changed codes internally.
- **Dillon County:** okay
- **Florence County:** okay
- **Town of Santee:** okay

**RESPONSES TO OCTOBER LETTERS:**

**The following entities responded to questions generated by TERC as a result of December’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 Susan Cruse/Lisa Martin**

- **City of Beaufort:** Tabled until next meeting.
- **Town of Ridgeland:** Tabled until next meeting.

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

- **City of Camden:** TERC had previously questioned why it appeared that the local committee did not approve expenditures. However, it was explained that the City did not meet the threshold of committee formation at the time.
- **City of Gaffney:** tabled until next meeting.
- **City of Cayce:** clarified report.
- **Town of Lexington:** TERC had previously questioned a couple of expenditures as well as the Town’s carry forward amount. This was all resolved. A letter will be sent telling them so.
- **City of Orangeburg:** TERC had previously questioned the Festival of Rsoes Entertainment. It was proven this is a tourist event.
- **Town of Springdale:** TERC wanted to verify that funds used for the Town to do landscaping maintenance was in a tourism area. The Town stated it was the entrance to the Town, which is acceptable.

**Reviewed by Mark Williams/John Curry**

- **Town of Duncan:** The Town did not award funds, but explained that it had lack of interest and has since awarded all funds.

**Reviewed by Rod Swaim/Susie Surkamer**

- **Town of Kiawah Island:** Previously, TERC had questioned the local accommodations tax committee cultural member's affiliation. It was explained that he was on the Kiawah Island Arts Commission, which is acceptable.
- **Town of Summerville:** The local committee is lacking a member, however, the Town is advertising for this in the local newspaper and will continue to keep TERC updated on its progress.
- **Town of Mt. Pleasant:** TERC had previously questioned the Town regarding debt service on a cultural facility. It appeared everything was in compliance with Section 6-4-15 of the SC Code of Laws.

#### **OTHER BUSINESS:**

- **Because of lack of a quorum, TERC decided to hold a special meeting on Thursday, February 28, 2008 to vote on the following: Edisto Beach, City of Beaufort, Gaffney, Ridgeland.**

The next regularly scheduled meeting of TERC will be held April 21 at 10 a.m. at SCDOR.

There being no other business, the meeting adjourned.

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