

TOURISM EXPENDITURE REVIEW COMMITTEE
MEETING MINUTES
January 4, 2011
SC Department of Revenue
Conference Room 2D21
10 a.m.

ATTENDANCE:

Committee Members in Attendance: Frans Mustert, Rod Swaim, Edward Riggs, Kevin Yokim, Mark Williams and Harriett Green.

Guests in Attendance: John Hoefler, TERC Counsel and Tom Sponseller, Hospitality Association of South Carolina.

Staff in Attendance: Lauren Sponseller, TERC Staff.

CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:

- 1. Call to Order:** The Meeting was called to order by Chairman Mustert.
- 2. Minutes Approval:** Mr. Swaim motioned to approve the minutes from the November 22, 2010 meeting, Mr. Yokim seconded, and the committee unanimously voted to approve the minutes.
- 3. Legal Update:** Mr. Hoefler updated the Committee on the City of Myrtle Beach court case, and stated that proceedings are underway. He will continue to update TERC as the case progresses.
- 4. PRESENTATION- City of Surfside Beach**
Allan Deaton , Mayor of Surfside and Micki Fellner, Deputy Director of Surfside presented further information to the Committee in response to TERC's decision to withhold funds from the City for disbursing funds in the amount of \$3,000.00 to the City's Library for periodicals. The City's representatives stated that these items did indeed *provide* for tourists, as stated in the SC Code of Laws, per section 6-4-10 (b) due to the type of visitor that stays at Surfside Beach. As stated in data provided by the City, Ms. Fellner wanted to reiterate that 30-40% of the libraries consumers are visitors to the area, according to data from a study done by Horry County. Mr. Williams motioned that TERC allow 40% of total project (\$3,170.79) be allowable (\$1,268.32), and that TERC recommend the City used funds from the hospitality tax to pay for the rest of the money needed for the project. Mr. Riggs and Ms. Green opposed. The motion passed. Therefore, TERC will direct the SC State Treasurer's Office to return \$1,268.32 to the City.
- 5. Review of FY 09-10 Reports-**
Mark-
Town of Blythewood- ok
City of Conway- ok
Darlington County- ok
Town of Duncan- TERC noted that the Town's FY 08-09 report, that the Town carried forward \$11,273.16, but that this was not noted on the FY 09-10 report. The Town included a letter with their report, and stated that they had staff turnover, as well as discrepancies in prior reports. TERC will send a copy of the Town's FY 08-09 report for the Town to review and make additions or corrections as necessary.
City of Hartsville- Requested coding breakdown for expenditure to Darlington County Tourism.

Horry County- TERC requested additional information from the County as to why there are differing amounts between what was recommended by the advisory committee versus County Council versus the amount disbursed for all of the projects funded that show these differing amounts.

City of Myrtle Beach- Awaiting jurisdiction from SC Appeals Court on current court case in regards to the process that the City uses to disburse their funds.

City of North Myrtle Beach- Requested coding breakdown for expenditure to North Myrtle Beach Chamber of Commerce.

City of Orangeburg- Noted that the City reported a negative balance carried forward from FY 08-09 (-\$2,074.86), but this amount is not reflected on their FY 09-10 report.

Orangeburg County- Needs to report interest.

Town of Pawley's Island- Town noted negative balance carried forward (-\$150,095.62). TERC has asked their staff attorney if this is something that TERC should be concerned about or has jurisdiction over.

City of Rock Hill- ok

Town of Summerville- Requested more information from the Town on their disbursement to Arts, Business, Civic Coalition- what was this money used for. TERC also requests that the Town provide more information on all projects funded in the future under "Project Name/Description" column on their report.

City of Sumter/Sumter County- ok

Town of Surfside Beach- TERC requested additional information from the Town as to why there are differing amounts between what was recommended by the advisory committee and town council versus the amount disbursed for projects funded that show these differing amounts.

Town of Walterboro- ok

York County- TERC requested additional information from the County as to why there are differing amounts between what was recommended by the advisory committee and County Council versus the amount disbursed for all of the projects funded that show these differing amounts.

Rod/Harriett-

City of Charleston- Requested that the City review codes that were given to all projects, and reminded the City that marketing and advertising for an event should be coded as a 1, not a 2. Coding also questioned on disbursement to The Citadel- should this be a 1 instead of a 3? Also requested additional information from the City as to why there are differing amounts between what was recommended by the advisory committee, City Council and the amount disbursed for all of the projects funded that show these differing amounts- specifically, for disbursements to Moja Arts Festival, Piccolo Spoleto, Footlight Players. TERC would like further explanation on the disbursement to Charleston Area Convention & Visitors Bureaus- no money was requested from the organization, and none was recommended by the advisory committee, but the City Council approved and disbursed \$100,000.00.

Charleston County- Requested that the County send advisory committee member list.

City of Dillon- ok

Dillon County- Requested more information on disbursement to Latta Revitalization Commission- specifically, TERC would to know if this is a tourism attraction, as well as what percentage of attendees are tourists, and back-up information is also requested.

Dorchester County- Form not balanced- 30% should be \$8,924.29 and 65% should be \$19,335.97; leaving a Balance Carried forward amount of \$19,335.97

Town of Edisto Beach- Needs to report who 30% recipient was. TERC requested additional information from the Town as to why there are differing amounts between what was recommended by the advisory committee and Town Council versus the amount disbursed for Edisto Open Land Trust disbursement in the amount of \$16,600.00.

City of Florence- Questioned advisory committee member Henry Hepburn, and his professional affiliation to the advisory committee. Coding questioned on the following projects: Florence

Regional Arts Alliance- should this be coded as a 2 instead of a 1? Florence Little Theatre- should this be coded as a 1 instead of a 2?

Florence County- Questioned disbursement to Spirit of Tomorrow- specifically, TERC would to know if this is a tourism attraction, as well as what percentage of attendees are tourists, and back-up information is also requested. Questioned advisory committee members Shelby Kirby, Robert Hawkins and James Byrd, and their professional affiliation to the advisory committee.

Town of Folly Beach- TERC would like professional affiliation of all committee members.

Town of Isle of Palms- Needs to report who 30% recipient was.

Town of Kiawah Island- ok

Town of Moncks Corner- ok

Town of Mount Pleasant- ok

City of North Charleston- ok

Town of St. George- “Total Accommodations Tax Revenue for Fiscal Year Ending” on line 1 differs from the amount reported to us by the SC State Treasurer’s office as disbursed to the Town.

Town of Santee- Accepted the letter from the Town regarding their request to allow for an extension to file until the end of March.

Town of Seabrook Island- “Total Accommodations Tax Revenue for Fiscal Year Ending” on line 1 differs from the amount reported to us by the SC State Treasurer’s office as disbursed to the Town.

6. Miscellaneous Issues:

Chairman Mustert disbursed new TERC language for the Committee to review that will help clarify issues within the SC Code of Laws. TERC members will review proposed information, and discuss at their next meeting.

License Tags: Ms. Sponseller stated that all TERC members who applied for a tag should receive theirs by the end of January of 2011.

Tourism Region Reports: Mr. Sponseller stated that all 12 Tourism Regions have submitted their FY 09-10 reports, and will break these up for the Committee to review at their next meeting.

The next meeting of TERC will be held on March 28, 2011 at 10 a.m. at SCDOR.

There being no other business, the meeting adjourned.

Respectfully Submitted,

Lauren Sponseller

Lauren Sponseller, TERC Staff