

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

ATTENDANCE:

Committee Members in Attendance: Frans Mustert, Andy Cajka, Edward Riggs, Kevin Yokim, Mark Williams and Toni Nance.

Guests in Attendance: John Hoefler, TERC Counsel.

Staff in Attendance: Damita Jeter, TERC Staff.

CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:

1. Call to Order: The Meeting was called to order by Chairman Mustert. He welcomed back Mrs. Jeter as TERC staff.

2. Minutes Approval: Mr. Williams motioned to approve the minutes from the January 4, 2011 meeting, Mr. Yokim seconded, and the committee unanimously voted to approve the minutes.

3. Updates/Review/Discussion:

Legislative: Chairman Mustert updated the Committee on a bill that is currently within the legislature that would delete TERC and its function. He has been advised that the bill probably would not pass this legislative session. He has asked Tom Sponseller of the SC Hospitality Association to write a letter to all lawmakers explaining TERC and its function. Additionally, we want to stress to lawmakers that of all the expenditures TERC reviews, its rate of withholding is very low.

Clarification: Chairman Mustert has written some atax clarification guidelines that he has asked John Hoefler to review.

Vacancies: Both Chairman Mustert and Kevin Yokim mentioned several names of possible replacements for those rotating off of the Committee. They include Gary Cohen, Rick Patel and Holly Beaumier. Mr. Mustert and Mr. Yokim will confirm with these individuals their willingness to serve and let Mrs. Jeter know so that she may write the appropriate organizations.

City of Clinton: Attempts from TERC staff to contact the City of Clinton regarding its overdue reporting form have been unsuccessful. There was a motion from Mr. Riggs under Section 6-4-35(B) (1)(b) to withhold \$500 for the month of April (and for every month the form was not filed retro active to December 2010) from the City's accommodations tax disbursements. Mr. Cajka seconded the motion, which passed unanimously by TERC. Mrs. Jeter will draft letters to both the City and the State Treasurer's Office.

4. Review of FY 09-10 Reports-

Susan/Ed/Andy – Beaufort County – okay. City of Clemson – okay.

Mark- Laurens County – on several expenditures the County approved more than the advisory committee recommended. TERC will question why. Also, there has been no interest reported. TERC will question this.

Rod/Harriett – Town of Santee- The Town only expended \$234 of its 65% funds. TERC would like to know if it intends to carry the amount forward or if it need an extension beyond the two year spending period.

5. TERC's meeting with its attorney. Mr. Riggs made a motion for TERC to enter into executive session to discuss client/attorney matters with its attorney, John Hoefer. Mr. Cajka seconded the motion, which passed unanimously by TERC. Upon end of discussion Mr. Riggs motioned for TERC to come out of executive session, which Mr. Williams seconded. TERC voted unanimously to come out of executive session.

Chairman Mustert will draft a letter and/or discuss with Mayor Otis of the Town of Pawley's Island why the Town continues to carry forward a negative balance (-\$150,095.62). Additionally, it was noted that TERC does not under Section 6-4-10 have the authority to review and question the Tourism Regions reports. TERC's function is to simply receive, balances and forward to SCPRT.

6. Review of FY 09-10 Responses:

The following entities will have letters drafted to them letting them know that the additional information TERC received is acceptable OR they will be questioned further.

Susan/Ed/Andy:

City of Aiken- ok

Aiken County- ok, but still need to break out their coding.

City of Anderson- ok.

Anderson County- need advisory committee list.

City of Beaufort- ok.

City of Easley- The City reported that its atax interest revenue would have been under \$100 however their accountant did not make the transfer. TERC would like the City to confirm that the funds are now in the atax account.

City of Greenville- after some discussion, the team asked to carry review of the City's explanations forward to next month in order to compare to Greenville County.

Greenwood County- TERC noted that it did not think the \$3,000 the County invested to present the cultural event Dancing Fools at the Community Theater was the best use of funds, however it was admissible.

City of Hardeeville- okay.

City of Newberry- ok

Newberry County- The information submitted by the County did not answer TERC's request. The Committee will question again the difference between the amount reported by the County vs. the State Treasurer. Additionally, it appears that the County's advisory committee did not meet or review disbursement of these funds.

Pickens County- ok

City of Seneca - okay.

City of Simpsonville – after some discussion, the team decided to carry forward discussion until its next meeting so it could compare info with City of Greenville and Greenville County.

Kevin/Lanneau

City of Cayce- ok

Cherokee County- County did not answer TERC's request on additional information on Cherokee County Veterans Appreciation Park

Chester County- ok

Clarendon County- ok

City of Columbia- ok

City of Gaffney- okay, however, TERC would like to be notified when the projects for Gaffney Little Theater and Limestone College are completed so it can verify the tourism impact.

City of Georgetown- okay.

Town of Lexington- Upon review of the additional information regarding the Lexington Wine Walk it appears that the event is local in nature and further inspection of the budget breakdown verifies that funds were not spent in accordance to Section 6-4-10. Therefore, Mr. Riggs motioned to withhold funds in the amount of \$16,158 from future disbursements to the Town. Mr. Cajka seconded the motion, which Mr. Williams objected. The motion passed.

Lexington County- ok

Richland County- ok

City of Spartanburg –ok, but when the City submitted its revised report its expenditures were not accurate, therefore, TERC will request it file an amended 2009 report.

Spartanburg County- ok

Town of Springdale - ok

Mark:

City of Hartsville – ok

Horry County – ok

City of N. Myrtle Beach – ok

City of Orangeburg – ok, but let them know that in order to report more accurately they may submit their report in December every year.

Orangeburg County – ok

York County – ok

Town of Summerville – TERC previously questioned the Town’s disbursement of \$3500 to the Arts, Business and Civic Coalition (ABCC). Upon review, it appears this is for a feasibility study, which would not be approved. However, if the Town did find that the project would be tourism related, then the Town may use funds to reimburse for the project.

Town of Surfside Beach: ok

Rod/Harriett:

The following will be carried over: City of Charleston, Charleston County, Dillon county, Dorchester County, Florence County, Town of Edisto Beach, City of Florence, City of Folly Beach, City of Isle of Palms, Town of Seabrook Island.

6. Miscellaneous Issues:

Mrs. Jeter reminded the Committee that its statement of Economic Interest must be filed online with the State Ethics Commission by April 15.

The next meeting of TERC will be held on June 20, 2011 at 10 a.m. at SCDOR.

There being no other business, the meeting adjourned.

Respectfully Submitted,

Damita Jeter

Damita Jeter, TERC Staff