



1 **ACCOMMODATIONS ADVISORY TAX COMMITTEE MEETING**
2 **TOWN COUNCIL CHAMBERS**
3 **SEPTEMBER 7, 2011**
4
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6 1. **CALL TO ORDER.** Chairman Harrison called the meeting to order at 4:33 p.m. Chairman
7 Harrison, Vice Chairman Hein, and members Chandler, Daniell, Harbin, and Servant were in attendance.
8 A quorum was present. Member Murdock was absent. Staff present: Deputy Director Fellner, Treasurer
9 Hursey, and Police Chief Frederick. Others present: Town Clerk Herrmann.

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11 2. **MINUTES APPROVAL.** Chairman Harrison noted a scrivener's error on line 117 in the
12 minutes, "old" should be "sold." Mr. Servant moved to approve the May 18, 2011 meeting minutes with
13 the noted scrivener's error correction. Mr. Chandler seconded. **All voted in favor. MOTION CARRIED.**
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15 3. **FINANCIAL UPDATE**

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17 A. **Preliminary FY 2010-2011 Year-End Financial Report.** Ms. Hursey presented the report, a
18 copy of which is on file in the clerk's office. The June 30, 2011 fiscal year end had a balance of \$42,830
19 over budget, because more revenue was received and less was spent than expected. Chairman Harrison
20 asked what the expenditure for \$14,812 was for. Ms. Hursey said the two "mules" (street approved 4-
21 wheelers) purchased for the police department. No amendment was necessary, because there were
22 surplus funds.
23

24 B. **FY 2011-2012 Adopted Budget – Approved as Recommended by the Committee.** Ms. Hursey
25 explained that the balance carried forward was \$15,721. The current year fund balance is \$50,115. The
26 combined total of \$65,836 will be next year's beginning balance. She explained that the committee or
27 staff would need to decide how to spend those funds, because they are required to be spent within a time
28 certain. She noted that the funds shown as a receivable from the State on the FY 2011 statement have
29 been received. Mr. Daniell asked if there were any items that could be purchased with the excess funds.
30 Ms. Hursey said the commission might consider a beach tractor for public works as the director
31 mentioned during the last meeting that was not in this year's replacement plan. Mr. Chandler asked the
32 cost. Ms. Hursey did not know. Mr. Daniell asked about beautification projects. Ms. Hursey explained
33 that beautification projects must be tourists specific: beach crossovers, shoreline, and public restrooms.
34 Mr. Servant asked for an explanation of the \$450,000 accommodations revenue projection for Fiscal Year
35 (FY) 2012. Ms. Hursey said staff projects the amount will be greater than expected this year, and the
36 estimate should be close. Ms. Hursey said \$458,852 is the actual year-end total for FY 2011. Mr.
37 Servant said compared to actual totals for the past several years, revenues are down and asked for an
38 explanation. Ms. Hursey agreed, but did not know why. The State does not provide data that can be
39 analyzed. Mr. Servant said capital expenditures had almost doubled over the years and that it appeared
40 accommodations taxes were purchasing equipment for the sanitation department. Ms. Hursey said
41 beach rakes and tractors are purchased for use on the beach; they are just listed under that department.
42 Mr. Servant asked what the \$12,000 contractual services expenditure was. Ms. Hursey said for using
43 town-owned equipment. Ms. Hursey said the FY 2012 budget was approved by town council as
44 presented.
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46 4. **COMMUNICATION**

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48 A. **Tourism Related Expenditures.** Ms. Fellner gave a brief presentation, a copy of which is on
49 file, noting that there are no Chamber sponsored events now being held in the town, and that A-Tax funds
50 contributed to the Chamber under State Code are lumped together with other contributions for general
51 out-of-market advertising. She asked if the committee would recommend to town council sending a letter
52 to the Chamber requesting that approximately 50-percent of the town's 30-percent A-Tax contribution be
53 used to specifically market the town, including events like the Independence Day celebration, television
54 spots, town brochure, etc. Mr. Chandler did not understand why the funds were given to Myrtle Beach. A
55 Surfside Chamber was being developed that might be considered. Mr. Servant explained the A-Tax

56 funds must be given to an area non-profit for tourism development pursuant to State Code. Ms. Fellner
57 said in her opinion, there was little or no benefit for the town's contribution. Mr. Servant said the
58 Chamber's goal is to bring tourists to the area, which does benefit the town. The committee should be
59 cautious when asking to have money taken from the out-of-market funds; if several other governments
60 did the same, the out-of-town marketing would suffer, and \$57,000 in out-of-market advertising will not be
61 effective. Mr. Servant said all the out-of-market advertising does have Surfside Beach printed on it, with
62 Myrtle Beach Area as the focus, because new tourists recognize that name. Ms. Fellner said the town
63 has only one website that has about 1,000 pages, but the Chamber would not link to it. Positive
64 comments are received about the site; people in South Carolina, North Carolina, Virginia, Georgia,
65 Tennessee, and Kentucky are using the site. Mr. Servant explained that Chamber members pay \$10,000
66 plus for membership, and he understood why the Chamber would not link to the town's site with non-
67 Chamber members. Mr. Servant said the 30-percent is designated for out-of-town marketing. A former
68 administrator told the committee that a staff member would develop a town tourism website, and he
69 believed that should be done with the 3-percent over which the town has control. He believed the
70 committee should support staff in developing a tourism website and provide funding adding that the
71 Chamber staff will help develop and maintain the site. Mr. Daniell believed that the taxpayers are not
72 receiving benefit from the monies paid to the Chamber. Ms. Fellner said the Chamber is the best
73 recipient at this point, because it is "power-driven, they do understand marketing, they have a lot of
74 statistics." Just in Surfside Beach the Chamber provided 160,000 referrals to its business members this
75 year. Chairman Harrison said the Chamber budget was already adopted for next year. Mr. Chandler said
76 there is a Surfside Beach chamber being developed. He would make inquiries and bring information to
77 the committee. Chairman Harrison said the Myrtle Beach Chamber was not a typical chamber; it was a
78 tourism promotion machine. He believed staff and the committee were saying more benefits for Surfside
79 Beach were due for its contributions. Mr. Servant complimented Ms. Fellner for bringing the issue forward
80 and said unless the questions were asked, there would be no improvement. Chairman Harrison
81 suggested that he and Ms. Fellner meet with Mr. Dean and Chamber staff to get a better understanding of
82 tourism related expenditures. The committee **CONCURRED**. Chairman Harrison referred to Title 6,
83 Chapter 4, which was in the meeting package that cites the allowable uses for A-Tax expenditures and
84 suggested that committee members study the code to better understand what it is authorized to do;
85 questions could be discussed at the next meeting.

86
87 B. Membership Requirements. Chairman Harrison explained that §6-4-25 requires that two of
88 the seven member committee represent the hospitality industry, specifically lodging, and that one
89 member represent cultural and arts activities. The committee **CONCURRED** to designate Chairman
90 Harrison and Mr. Servant lodging industry representatives, and Mr. Chandler as cultural/arts
91 representative.

92 93 5. **BUSINESS**

94
95 A. Funding Request: Guy Daniels Foundation, James E. Daniels – Web Cam (Beach), Stream
96 "LIVE" from Beach at 13th Avenue South to Internet. Mr. Chandler recused, because he serves on the
97 board of directors for the Guy Daniels Foundation, a copy of his recusal statement is attached to these
98 minutes and made a part hereof. Mr. Pruitt, CEO of the Guy Daniels Foundation, presented the request,
99 which is on file. He said the town could link to the live feed that is now operating, and the Foundation
100 would reciprocate by adding the town's URL and logo to its site. About 3,000 hits were made on
101 Saturday during the recent Hurricane Irene event; the average is 200-300 hits per day. Ms. Harbin asked
102 if the site ran 24-hours a day. Mr. Pruitt said yes; fireworks, people walking the beach, and birds can be
103 seen during the night hours, even though it is not a 'night' camera. The total costs was about \$4,500; the
104 Foundation is asking for \$1,000 which pays for the last software component that re-streams the camera
105 feed. Chairman Harrison asked how this directly applied to tourism so there would be a return on the
106 investment. Mr. Pruitt said viewers see people on the beach getting a tan and playing with their kids,
107 which makes them want to come to Surfside Beach. The site has "Surfside Beach, South Carolina"
108 across the top of the screen, and the town's logo will be prominently displayed. Ms. Harbin asked how
109 long the camera would last. Mr. Pruitt said the life expectancy of this camera is 5- to 7-years. Ms. Fellner
110 was concerned that the Tourism Expenditure Committee would question the expenditure if the funds were

111 designated for advertising and promotion; she suggested the grant would qualify as a promotion of arts
 112 and cultural events, because the culture here is surfing. She noted that the Foundation will include the
 113 town as sponsors and use the logo on its advertising. Chairman Harrison asked if funds were available.
 114 Ms. Hursey said yes. Mr. Servant asked if the URL is "surfoff.com," whether other entities could link to
 115 the site. Mr. Pruitt said surfoff.com was correct; he encouraged businesses to link to the site, because
 116 more links promote the site. Paying sponsors are featured on the site, but the town would have a
 117 prominent position along with a brief article and its' URL. The town could actually host the live stream on
 118 its site; he would help with linking the sites. Ms. Hein moved to approve funding \$1,000 as requested.
 119 Ms. Harbin seconded. **All voted in favor. MOTION CARRIED.**

121 B. Review, Amend, and/or Update By-Laws, Adopted 08/30/2003, Amended 01/29/2004. The
 122 committee reviewed the proposed changes and updates. Mr. Servant moved to schedule an annual
 123 meeting on a Wednesday every January to begin at 4:30 p.m., and to hold two additional meetings during
 124 the calendar year to be scheduled by call of the chairman or town administration. Mr. Chandler
 125 seconded. **All voted in favor. MOTION CARRIED.** Chairman Harrison believed election of officers
 126 changes should be deferred until January. Ms. Herrmann said this change is to the by-laws for future
 127 application and would not affect the officers just selected in May as they had not yet served a full year.
 128 Mr. Servant agreed that officers should be elected at the scheduled January meeting. Mr. Servant
 129 moved to approve the remainder of the proposed changes and updates as presented. Ms. Harbin
 130 seconded. **All voted in favor. MOTION CARRIED.**

131 C. Annual Report to Town Council (Ord. 11-0698, §2-61(j) due in January.) Chairman Harrison
 132 said the committee authorized the Chairman to sign the annual report on its behalf with adoption of its By-
 133 Laws, so it will be in compliance with Ordinance 11-0698.

134 6. **PUBLIC COMMENTS.** There were no public comments.

135 7. **COMMITTEE COMMENTS.** Chairman Harrison welcomed former county councilmember, Mr.
 136 Howard Barnard, who then introduced Mr. Charles Page, president of the Surfside Rotary Club.
 137 Chairman Harrison said Chief Frederick had one of the mules parked outside for the members to inspect.

138 8. **ADJOURNMENT.** Chairman Harrison said there was no other business to come before the
 139 meeting and declared it adjourned at 5:51 p.m.

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 141 Debra Eaddy Herrmann, CMC, Town Clerk

142 Approved: January 25, 2012

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 144 Randy Harrison, Chairman – Lodging Member

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 146 Cecil Chandler, Culture/Arts Member

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 148 Tom D... , Committee Member

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 150 Carolyn Harbin, Committee Member

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 152 Bruxanne Hein, Vice Chairman

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 154 Phil Murdock, Committee Member

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 156 E. J. "Mil" Servant, Lodging Member

Approved