

ACCOMMODATIONS TAX ADVISORY COMMITTEE

Isle of Palms, South Carolina

August 15, 2007

The regular meeting of the Accommodations Tax Advisory Committee was held at 11:00 a.m. on Wednesday, August 15, 2007 in Council Chambers, 1207 Palm Boulevard, Isle of Palms, South Carolina. Present were Chairwoman Julia Tucker, Committee members Terri Haack, Rick Linville, Margaret Miller, David Nelson and Jimmy Ward, City Administrator Tucker, City Treasurer Suggs and City Clerk Copeland. Malcolm Burgis was excused from the meeting since he was out of town. There was a quorum present to conduct business.

1. **Call to Order.** Chairwoman Tucker called the meeting to order and stated that the public and the press had been duly notified in accordance with the Freedom of Information Act.

2. **Approval of Previous Meeting's Minutes – June 13, 2007**

MOTION: Rick Linville moved for the approval of the minutes of the meeting of June 13, 2007 as presented; Margaret Miller seconded and the motion PASSED UNANIMOUSLY.

3. **Monthly Financial Statement – City Treasurer Suggs**

Treasurer Suggs indicated that the financial statement was the preliminary and un-audited one for June 30, 2007 with budgeted expenditures of \$331,056 and approved projects of \$158,696 for total expenditures of \$489,725, which left a surplus of \$182,195. When the FY 2007 surplus was added to the surplus from prior years, FY 2008 began with a balance of \$714,111; the budgeted expenditures for FY 2008 are \$694,605. The Treasurer commented that receiving more than one million dollars (\$1,000,000) from the state meant that there are more people coming to the island and that everyone is paying; Chairwoman Tucker observed that this reflected an increase of one hundred thousand dollars (\$100,000) over 2006.

A second handout entitled "SC State Accommodations Tax – Distribution of Funds Received" details the funds received and their various distributions. She directed the Committee's attention to the June 30, 2007 check, which was in excess of three hundred thirty thousand dollars (\$330,000), an increase of fifty thousand dollars (\$50,000) over June 2006.

Before moving to the handout on expenditures, Treasurer Suggs stated that there were some line items that had exceeded budget and that those items would require a motion to approve the overage.

1. Irrigation at Breach Inlet – In 2007, a small irrigation zone was installed for plants around the sign.

MOTION: Chairman Tucker moved to approve the over budget amount of \$1,000.19 for Breach Inlet irrigation; Mr. Nelson seconded; and the motion PASSED UNANIMOUSLY.

The Charleston CVB overage of \$48,180.55 does not need a vote since it is a mandated amount.

2. Police Patrol Car –

MOTION: Mr. Nelson moved to approve the over budget amount of \$395.61 for the purchase of a Police Department patrol car; Mr. Linville seconded and the motion PASSED UNANIMOUSLY.

Mr. Ward asked for the Treasurer to research the differences between reception supplies, postcard advertising and postcard mailing all paid to Creative Spark under Piccolo Spoleto Goes to the Beach. He also asked for clarification on reception supplies under the same heading. Recreation Director Page commented that she recalled the postcard mailing was actually more than had been originally anticipated. Mr. Ward also asked for the detail information on \$2,500 paid to Bad Boot Productions for the Lewis Grizzard entertainment.

In relation to the Piccolo Spoleto Sand Sculpting contest, Treasurer Suggs directed the Committee to the handout which listed the sponsors for the contest along with their donations. Chairwoman Tucker stated that this was great information; she noted that she had no idea of the extent of support the island businesses gave to the City's activities.

3. Lease payment, Caterpillar was over budget because the lease had not been finalized when the budget was established.

MOTION: Chairwoman Tucker moved to approve the over budget amount of \$164.79 for the Caterpillar lease payment; Mr. Linville seconded, and the motion PASSED UNANIMOUSLY.

Chairwoman Tucker questioned why the Pooper Scooper budget had been so large in comparison to what was spent. Administrator Tucker reported that the poles and bags were being purchased through a catalog; the City has since found someone locally who will make the poles using materials which do not degrade as quickly and cost less. A cheaper source has also been found for the bags.

Treasurer Suggs commented that the expenses related to the Half Rubber Tournament would be re-classed and paid for with other funds since the Tourism Expenditure Review Committee (TERC) determined that the tournament is not an appropriate Accommodations Tax expense.

No funds were spent on the front beach Christmas tree because the City Council had chosen to fund it through other revenue sources.

4. AED/Cardiac Defibrillator for Marina was over budget because sales taxes had not originally been calculated for the purchase.

MOTION: Ms. Miller moved to approve the over budget amount of \$79.01 for the AED/Cardiac Defibrillator for the Marina; Chairwoman Tucker seconded and the motion PASSED UNANIMOUSLY.

Chairwoman Tucker questioned Treasurer Suggs on the fact that the Committee was allowed to carry forward only \$200,000 from one year to the next. The Treasurer justifies the Committee's carryover by the fact that she treats the funds as first in, first out.

Chairwoman Tucker asked if funds had been approved for the new Mount Pleasant Visitors' Center and how that visitors' center would change this budget. Administrator Tucker replied that Mount Pleasant has not requested funds from the Isle of Palms. Since the budget has already been approved, Chairwoman Tucker was concerned about how any request for funds would be handled. Administrator Tucker said that funds could be an out of budget expenditure if the City decided it wanted to continue to have a presence there. There is also the issue of whether or not the City of Isle of Palms wanted to have its own visitors' center. Another issue was whether the City of Isle of Palms would continue to be welcomed by Mount Pleasant.

Chairwoman Tucker wanted to know if e-mail addresses were being gotten when t-shirts were given out and if those addresses were being entered into a database. Treasurer Suggs answered in the affirmative to both questions.

A question was also posed by the Chairwoman about the timing for the bulkhead replacement. The Administrator said that the project had been postponed until 2009 assuming that the monitoring, currently being done, does not yield negative results.

Recreation Director Page informed Chairwoman Tucker that the gym ceiling had not yet been replaced, but that the information was being gathered to put the job out for bid.

Finally Treasurer Suggs presented to the members of the Committee the 5-year Capital/Special Project Schedule, which they had requested at the previous meeting. One piece of information not included in the schedule is the source of funds to cover the expenditure; if the expenditure is for police, fire or public works vehicles, the Accommodations Tax Committee is asked to fund 25% of the total. Chairwoman Tucker thanked the Treasurer for providing this valuable information.

4. Old Business:

1. \$1,500 for Replacement of Flag Pole on Connector

Since Chief Graham was engaged elsewhere, Training Officer Maibach was asked to provide information for the Committee. He explained that the flagpole on the Connector had been erected immediately after 9/11, but the one that was installed then was never meant to be permanent – it was a twenty-five dollar (\$25) pole from WalMart. Now it has become a fixture and the Fire Department is requesting the funding to install a permanent flagpole; the existing one must be removed whenever there is bad weather. Officer Maibach informed the Committee that a permanent solar light has been installed to illuminate the flag at night. He also confirmed that all of the installation work would be done by the Fire Department.

MOTION: Mr. Ward moved to approve \$1,500 to the Fire Department to install a permanent flagpole on the Connector; Mr. Linville seconded.

Ms. Haack commented that a new flag should accompany the new flagpole; Administrator Tucker stated that the flag is replaced at least four (4) times per year.

The motion PASSED UNANIMOUSLY.

2. Discussion of New Brochure

Chairwoman Tucker distributed a proposed layout for the new brochure (copy attached). She explained that it is intended to be a three-fold brochure that will convey three (3) key features about the Isle of Palms; the concepts to be communicated are that the Isle of Palms is (1) family friendly, (2) located close to Charleston and (3) a barrier island. Mr. Nelson stated that he was very pleased with the maps, but he did have a problem with the size of print. Chairwoman Tucker assured him that the print was much larger when the brochure was displayed in its true size. She continued that she especially liked the bold print that appears in the text; she believes that people tend to scan so the bold type will enable them to easily spot the items that interest them.

Ms. Haack commended Chairwoman Tucker on the excellent job she has done spearheading this project. She suggested that the companion piece fit the style and character of this one, because it will tend to enhance the quality of the message.

Chairwoman Tucker related that Ms. Haack had been most helpful in that she had brought in the Wild Dunes marketing department to assist with the brochure. Ms. Haack reported that the department had worked under Chairwoman Tucker's direction and contributed on their time.

Chairwoman Tucker asked Perrin Lawson, representing the Charleston Visitors' Bureau, how this brochure fit into the City's concepts. He quickly responded that he thought this brochure was much improved over the old one.

Ms. Haack noted that a key feature of this brochure was to direct people to the website, but she wanted to be sure that the visitor to the website had easy access to the Charleston website and vice versa.

Chairwoman Tucker reported that there are new links on the Isle of Palms website that she felt were fabulous additions; she did suggest that larger script would be helpful and that she would like to see the Charleston Visitors' Bureau be the lead link.

Mr. Linville expressed his feeling that hotels should be added to paragraph 2 under "Activities" since the lodgings on front beach offer overnight versus week long rentals.

In response to Mr. Nelson's question, Chairwoman Tucker said that she was not looking to finalize the brochure, but she would like to get everyone's suggestions in three (3) to four (4) days as there was a need to have the brochures printed as quickly as possible. She stated that she has only received informal bids on the printing costs.

Other suggestions offered were as follows:

- To include boat rental at the marina in the "Activities" section and the white box;
- To place another white box on the map locating Wild Dunes;
- To add in the Wild Dunes box "accommodate hotel, golf, tennis, conference facilities;"
- To the Recreation Center box add "playground, gym, tennis;" and
- To the front beach box add "hotel, shopping, dining."

Ms. Miller asked the significance of indicating 24th, 30th and 32nd Avenues; she was told that each of these is a through street. If that was the determining factor then, she felt that 28th should replace 30th and that 41st should be added since it goes to the marina.

5. New Business

1. \$15,000 for Spoleto Festival USA/2008 Season

Jennifer _____ appeared before the Committee to request renewal of the City's event sponsorship for the 2008 Spoleto Festival USA at the 2007 level of \$15,000. She stated that the Spoleto staff had been able to expand Isle of Palms' exposure as a benefit of sponsorship; the City received more targeted and more frequent exposure through the e-mail blasts. She reported that out-of-towners were targeted in one (1) e-

mail blast for "Swan Lake" listing Isle of Palms as one of the sponsors. New exposure in 2007 came as a result of a link to the Isle of Palms' website from the "Swan Lake" web page, plus the general sponsor page, the Charleston Visitors' Bureau page and the Accommodations page. She reported that there had been over four hundred thousand (400,000) hits to the Spoleto website in six (6) months, and three thousand (3,000) tickets for "Swan Lake" were purchased on-line. For 2008, the Spoleto staff is prepared to distribute Isle of Palms brochures in the visitors' packets. The Spoleto Festival continues to bring national exposure to the Charleston area, and the general feeling is that over time the City of Isle of Palms' connection to Spoleto will increase the value it receives from sponsorship. The Spoleto staff will assist in selecting an event that will be held at the Gaillard and will be family-oriented, as well as provide the City with a large number of complimentary tickets.

Mr. Ward stated that he had felt that the City had not received the exposure that it expected from its participation in Spoleto in years past, but he has seen the new efforts on the part of Spoleto to give Isle of Palms excellent exposure. He added that the Committee has no problem spending when Isle of Palms gets an equal benefit. Ms. _____ related that "Swan Lake" was one of the best-attended events of the festival.

MOTION: Mr. Ward moved for the approval of \$15,000 to sponsor a family-oriented event to be held at Gaillard Auditorium for the Spoleto Festival USA/2008 Season; Ms. Miller seconded and the motion PASSED UNANIMOUSLY.

2. \$3,500 for the Recreation Department for "Ghostly Tide Movie" on October 19, 2007

Recreation Director Page said that the Department was trying to broaden its horizons by replacing the Ghostly Tide Tales, which she feels has run its course, with a movie on the beach. Having the event at front beach will give front beach businesses exposure in what is often seen as the "off" season; it will also allow them involvement in a City sponsored event. The front beach location also provides for safer parking and safer pedestrian traffic. Director Page is asking the Committee for \$3,500 of the estimated \$5,000 total expense, which includes advertising. She is confident that it will be a successful family event.

Mr. Ward asked what the plans were if were to rain; Director Page stated that she had not yet discussed that with the vendor; she would need to check the contract. Chairwoman Tucker asked if the movie could be moved to the gym; the screen will not fit into the gym according to Director Page. The Director reported that she has checked with other vendors and may be able to find one that will provide the same setup for less than three thousand dollars (\$3,000). Director Page informed the Committee that she

had put on a similar event in North Myrtle Beach and that it had worked well. She said that attendees should bring a chair and the seating would be parallel to Ocean Boulevard.

Ms. Haack asked if the Director had met with the businesses on front beach to make them aware of these plans, to arrange to be open later and to contribute to the festive atmosphere.

Mr. Ward asked when Daylight Savings Time changes in 2007, and he was told that it is not until November 4. Director Page reported to the Committee that she has also checked the tide tables and the time the moon will set when scheduling the event.

MOTION: Mr. Nelson moved to approve \$3,500 for the Recreation Department to host "Ghostly Tide Movie" on Friday, October 19, 2007; Ms. Miller seconded and the motion PASSED UNANIMOUSLY.

Director Page reported that it has become very obvious to the Recreation Department staff that the City's website is being visited much more frequently than the old one. She expressed her appreciation to the Committee for their support to make it happen and noted that she is looking forward to going to the next level.

6. Miscellaneous

Chairwoman Tucker introduced Carolyn Haar who has come before the Committee to present an opportunity for the City to participate in a new magazine. Mrs. Haar began her presentation by distributing two (2) magazines that she is currently publishing in cooperation with real estate companies in Pawley's Island and Garden City. She would like to do the same thing in Isle of Palms but have the City's endorsement rather than a real estate company. She would keep the same format with a fold out map of the island in the center, two (2) pages for ordinances that are relevant to visitors and a letter of welcome from the Mayor.

When asked her opinion, Administrator Tucker began by saying that there are many problems with Mrs. Haar's proposal. First the Administrator asked Mrs. Haar if she had a business license for the Isle of Palms and a license to do business in her home. Secondly Administrator Tucker noted that, for the City to endorse a magazine, it would have to have control over the content, including advertising.

Following more discussion, Mrs. Haar was told that a better approach might be for her to apply to the Committee to underwrite the City's participation in her magazine. She was directed to see the City Clerk following the meeting to get an application and invited to attend the next meeting.

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The Committee agreed to hold its next meeting at 11:00 am on Wednesday, September 12, 2007. Ms Haack stated that she would be out of town for that meeting.

On a motion from Mr. Linville and a second from Mr. Nelson, the meeting was duly adjourned at 12:28 p.m.

Respectfully submitted:

Julia Tucker, Chairwoman