

## ACCOMMODATIONS TAX ADVISORY COMMITTEE

12:00 p.m., Wednesday, January 18, 2017

The Accommodations Tax Advisory Committee (ATAX) met at 12:00 p.m., Wednesday, January 18, 2017 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Committee members Malcolm Burgis, Sally Muhlig, Julise Spell, David Nelson, Susan Haynie and Rusty Williamson, Administrator Tucker, Treasurer Suggs and City Clerk Copeland; Margaret Miller was absent. A quorum was present to conduct business.

1. Administrator Tucker called the meeting to order and acknowledged that the press and public had been duly notified of the meeting in accordance with the Freedom of Information Act. She also introduced Rusty Williamson, the Committee's newly appointed member, and stated that he is well-known for his photography showcasing the natural beauty of the Isle of Palms.

### 2. Election of Chair and Vice Chair

Mr. Burgis nominated Mr. Nelson for the position of Chair, and Ms. Muhlig seconded; Mr. Nelson was unanimously elected Chair.

For the position of Vice Chair, Ms. Haynie nominated Mr. Burgis, and Ms. Muhlig seconded. Mr. Burgis was unanimously elected Vice Chair.

### 3. Approval of Previous Meeting's Minutes

**MOTION:** Ms. Spell moved to approve the minutes of the regular meeting of August 3, 2016 as submitted; Mr. Burgis seconded and the motion PASSED UNANIMOUSLY.

### 4. Citizens' Comments – None

### 5. Financial Statements – Treasurer Suggs

At the halfway point in the fiscal year, the ATAX fund has a healthy cash position with two million one hundred thousand dollars (\$2,100,000) in the bank; the majority of the money is invested with the Local Government Investment Pool that was paying interest of eight tenths of a percent (0.8%) in December. Revenues year-to-date consist of the monthly interest payments and the payment from the state for the September quarter.

For the new member of the Committee, Treasurer Suggs explained that the quarterly payments from the state pay the City its share of the two percent (2%) accommodations taxes that were generated at the Isle of Palms. When the City receives a payment, the first twenty-five thousand dollars (\$25,000) goes to the City's General Fund along with five percent (5%) of the remainder; of the remaining balance, sixty-five percent (65%) goes to the City's ATAX Fund and thirty-percent (30%) goes to the organization providing tourism promotion for the City, the Charleston Visitors Bureau. The distribution of the ATAX payments is dictated by state law.

Ms. Haynie asked whether towns that do not generate a large amount of state accommodations taxes receive payments based on statewide accommodations taxes collected. Treasurer Suggs replied that the state has a "Robin Hood" provision that does pay those communities a very small percentage of total accommodations taxes collected.

When expenditures were reviewed, the Treasurer commented that the expenditures for the public restrooms were usual and customary expenses incurred.

On the subject of the restrooms, Administrator Tucker noted that a mural is being painted on the exterior and today a group of eight to ten (8-10) young people from AmeriCorp between the ages of eighteen and twenty-two (18-22) are painting the interior of the restrooms. The Administrator added that the restrooms would at least look a little better for this upcoming season.

The Treasurer drew attention to the 2016 July 4<sup>th</sup> fireworks display on page 3 that was considerably over budget because the budget for it had been reduced based on the amount paid the prior year. The FY16 budget had been adopted before the 2015 fireworks display occurred, and the show did not live up to IOP standards. When the City re-bid the event, the costs were more in-line with what the City had paid in the past, but in excess of the amount in the budget.

**MOTION: Chair Nelson moved to approve the \$13,812 over budget expenditure for the 2016 July 4<sup>th</sup> fireworks display; Ms. Haynie seconded and the motion PASSED UNANIMOUSLY.**

Noting that the City is required to pay sales tax on purchases from out of state, the Treasurer reported that the taxes on the new Christmas tree put that line item over budget.

**MOTION: Mr. Burgis moved to approve the \$1,522 over budget expenditure for the new Christmas tree; Ms. Haynie seconded and the motion PASSED UNANIMOUSLY.**

6. **Old Business – None**

7. **New Business**

**A. Consideration of sponsorship for the 2017 Dunlop Junior Tennis Championship in the amount of \$3,500**

Administrator Tucker explained that Dewey Caulder, who usually attends the meeting to talk about and answer questions about the tournament, had a work-related meeting that conflicted with this meeting and he needed to attend it. The ATAX Committee has approved this sponsorship for the last four or five (4-5) years, and, since many attendees stay on the island during the championship, the City benefits from the event through accommodations taxes and food and beverage sales.

**MOTION: Ms. Haynie moved to approve a sponsorship of \$3,500 for the Dunlop Junior Tennis Championship; Ms. Spell seconded and the motion PASSED UNANIMOUSLY.**

**B. Consideration of funding a City event in the amount of \$15,000 acknowledging that IOP is the Last Chance for viewing the total solar eclipse**

Recreation Director Page thanked the ATAX Committee for its continuing support of recurring events. She reported that the eclipse will pass over the Isle of Palms on Monday, August 21, 2017, and, since the rental properties are filling up quickly, the time seemed perfect to host a "street festival" type event on Sunday. There will be commemorative t-shirts for sale, and protective eyewear will be available; like the street festival, the City will hire bands and have children's activities and games.

**MOTION: Ms. Haynie moved to sponsor a City event celebrating the total solar eclipse in the amount of \$15,000; Mr. Burgis seconded and the motion PASSED UNANIMOUSLY.**

**C. Consideration of the sponsorship for the 2017 Charleston Wine + Food Festival in the amount of \$5,000**

Laura Turgeon, Development Manager, and Gillian Zettler, Executive Director, stated that the 2017 Wine and Food Festival will be held from March 1-5, 2017, and this will be the twelfth year for the event. Information provided through the College of Charleston's Office of Tourism Analysis showed that approximately twenty-three thousand (23,000) people attended in 2016, and they had an economic impact of approximately nine million one hundred thousand dollars (\$9,100,000). Thirteen percent (13%) of the attendees had never visited Charleston before, and out-of-town visitors represented forty-eight (48) states and nine (9) foreign countries. One (1) of the Signature Dinners will take place at Coda del Pesce at Front Beach.

**MOTION: Ms. Haynie moved to provide a \$5,000 sponsorship for the 2017 Wine + Food Festival; Chair Nelson seconded and the motion PASSED UNANIMOUSLY.**

**D. Consideration of funding improved beach trash receptacles**

The City has for many years placed yellow trash receptacles at either end of the beach access paths, but the barrels have not arrived on the island in yellow, but must be painted and have the palm tree or turtle added later. When the summer begins, the receptacles are very bright and colorful on the beach, but, as the season wears on, they begin to look drab and unsightly. In an effort to be more time efficient, Public Works Director Pitts has found a yellow plastic receptacle that would only need to have the palm tree or turtle painted on them, but they are significantly more expensive. The cost difference is what the Committee is being asked to fund since the trash barrels are used primarily by visitors; the yellow receptacles would be less labor intensive and look better for a longer period of time.

Ms. Muhlig questioned that this would be a one-time request; the Administrator explained that, in future years, the additional cost would be included in the budget.

When asked how many receptacles would be needed, the Administrator responded that the island has at least fifty-seven (57) beach accesses and a trash barrel is placed at both ends.

**MOTION: Ms. Spell moved to fund the increased cost for yellow plastic trash receptacles in the amount of \$7,500; Mr. Burgis seconded and the motion PASSED UNANIMOUSLY.**

**8. Miscellaneous Business**

Chair Nelson recommended that the Committee plan to meet every other month; if a need arose, a meeting could be called, and, if there was no business to go before the Committee, a scheduled meeting could be cancelled.

**Next Meeting Date: 12:00 p.m., Wednesday, March 8, 2017**

**9. Adjournment**

**MOTION: Ms. Haynie moved to adjourn the meeting at 12:38 p.m.; Mr. Burgis seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland  
City Clerk