

Roger:

One of our city council members has requested that we have an item on the agenda for the February 22 meeting to decide whether to leave Marshall's Convention and Visitor Development office under the responsibility and supervision of the Chamber of Commerce or move it under the responsibility and supervision of the City. This question has been raised twice before, once about a year ago and again four or five months ago. I am sure you are aware of the problems. In summary, questions were raised several months ago about the appropriateness of some expenditures under this program. The local media looked into the situation just far enough to decide that they thought there was some wrongdoing. Our City Council instructed our Finance Director to undertake a detailed evaluation of the expenditures by the Chamber of Commerce for this program for the past five years under the contract we have with them to operate this program. There were two general problems that were identified by our Finance Director. One problem was that there were some poor choices on the part of the staff members who had oversight over this program to use Hotel Occupancy Tax funds that the city provides to the Chamber under the contract to operate this program for some items that most people would consider to be too much of a stretch to be eligible under the law in Texas to be covered by Hotel Occupancy Tax funds. In the few instances that this choice was made, they were all paid back within a few months after the expenditures were made. The second problem was that there was some sloppy and lax record keeping. Other than a few poor choices that were corrected and sloppy records, no intentional wrongdoing, illegal acts, or problems were identified. The current Director of Convention and Visitor Development, Geraldine Mauthe, has corrected the record-keeping problems. The documentation that accompanies requests for payments has also been changed. Our Finance Director very pleased with how the financial management of the program has been handled over the past year or so since Geraldine became the director.

Each time the question has come up about where this office should be located, it was agreed that we would seek a recommendation from the tourism consultant on whether this office should stay under the Chamber of Commerce or be moved under the City. I reminded this council member of these previous discussions of this question and told him we are just a few weeks away from having a recommendation. He is insisting that there be an item on the agenda to vote on this matter at the February 22 meeting. I told him I would contact you and see if you could give us your recommendation on this issue in advance of the final report. I recognize that you may not be prepared to provide this recommendation at this time. If you are ready, it would be very helpful if you could provide it to us in advance. I realize that we are doing it to ourselves, but we will be in an awkward position if we act on February 22 to move this office under the responsibility of the City if your recommendation a few weeks later is going to be for it to stay where it is. If you are not yet ready with a recommendation on this matter, then any insights you can give us on the best direction to go with this would be helpful. If we need to discuss this more than what can reasonably be accomplished in emails, feel free to call me at 903-935-4418. Thank you.

Frank Johnson
City of Marshall