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Report Highlights

Town of Elizabeth

Audit Control # 50140043
Investigative Audit Services • June 2015

Why We Conducted This Audit

This audit was initiated after the Louisiana Legislative Auditor received allegations that the Town of Elizabeth (Town) made improper payments totaling \$117,354 to Town employees and vendors in June 2014. Our audit sought to determine the propriety of these payments.

What We Found

Improper Payments to Town Employees and Vendors

Between June 3, 2014 and June 20, 2014, the Town of Elizabeth (Town) paid former Mayor Robert Crafton, Town Gas System Supervisor Alvin Earl, and two Town vendors an aggregate of \$117,354 without any apparent legal obligation to do so. Mayor Crafton appears to have falsified minutes of a Board of Aldermen (Board) meeting authorizing such payments. By falsifying records and directing payments to himself and others for which the Town had no legal obligation, Mayor Crafton may have violated the Louisiana Constitution and state law. In addition, Mayor Crafton and Mr. Earl may have violated the Code of Governmental Ethics by receiving additional payments in excess of their salary.

Mayor Received Excess Compensation

From August 7, 2013 to December 12, 2014, former Mayor Robert Crafton received excess compensation totaling \$4,800. This amount included two additional payroll checks totaling \$3,200 and unused leave payouts totaling \$1,600. Mayor Crafton received additional payroll checks after he increased his monthly salary without authority. In addition, as an elected official, Mayor Crafton did not complete time sheets and may not have been entitled to leave benefits. By receiving excess compensation, Mayor Crafton may have violated state law.

Noncompliance with Local Government Budget Act

During our audit, we noticed that management did not fully comply with the Local Government Budget Act, which directs political subdivisions of the state as to the manner in which budgets shall be adopted, implemented, and amended.

Noncompliance with Open Meetings Law

On January 6, 2015, the Board voted, in writing, to approve salary adjustments for Town employees and elected officials. Because the vote was not made by live voice, Town management may have violated the state's open meetings law.

Board of Aldermen Improperly Fixed Salaries of Municipal Officers

The Board appears to have violated state law by failing to fix the salaries of municipal officers by ordinance and by reducing the salary of an elected official during his current term.

Municipality Improperly Classified as a Town

The Town appears to be improperly classified as a town under the provisions of the Lawrason Act. Because the Town has less than 1,000 inhabitants, state law requires the Board to adopt a resolution requesting the governor to change its classification to the appropriate classification based on the Town's current population.

View the full report, including managements' responses, at www.la.gov.