



Report Highlights

Town of Arcadia

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Audit Control # 50220006
Investigative Audit Services • May 2023

Why We Conducted This Audit

We initiated this audit to determine the validity of complaints we received regarding the Town of Arcadia's (Town) use of public funds.

What We Found

- The Town may have violated state law since it could not provide records to demonstrate a properly-adopted budget for fiscal years (FY) ended December 31, 2021 and 2022.
- Mayor O'Landis Millican appears to have violated state law by disregarding requirements of the Local Government Budget Act and the Lawrason Act in the performance of his duties. Mayor Millican signed Town checks to pay unbudgeted and unauthorized salary incentives to elected officials and Town employees without a council-approved budget or an ordinance to increase pay for the elected officials and Town Clerk.
- Mayor Millican authorized payments to two vendors from the general fund totaling \$1,075,075 for expenses that were not included in the budget documents he provided to us for tree cutting, debris removal, building maintenance, and repairs to Town property from January 1, 2021 through June 10, 2022. In addition, the Town did not have a written contract with either vendor. Since the Town did not provide budgetary statements as required by law for FY 2021 and FY 2022, as described in the first finding, it appears the Mayor did not have the authority to incur these expenses and may have violated state law by making such payments.
- Full-time Town employees accrue sick leave, vacation leave, and personal days. Two Town employees were paid for leave they did not accrue at June 10, 2022. By approving employee leave and authorizing payments to employees for leave they did not accrue, Mayor Millican may have violated the state constitution and state law.
- Mayor Millican and the Town Council supposedly met for "working meetings" on multiple occasions; however, the Town could not produce written minutes for these board meetings. By conducting public meetings, but not properly maintaining meeting minutes, the Town may have violated state law.

View the full report, including management's response, at www.la.la.gov.