



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

April 20, 2016

The Honorable Shaterral Johnson, Mayor
and Members of the Board of Aldermen
Town of Grand Coteau
231 Burleigh Lane
Grand Coteau, Louisiana 70541

Dear Mayor Johnson and Aldermen:

As you are aware, my Investigative Audit staff visited the Town of Grand Coteau (Town) to examine certain Town records. This letter briefly summarizes the results of our work. We stress the importance of addressing these issues and encourage you to consider our recommendations as you work to resolve the following:

Town Observes Undeclared Holiday

The Town observes 11 declared holidays, including Christmas, Thanksgiving, and Independence Day, in accordance with the Town's Ordinance No. 1 of 2008. During our audit, we observed that Town Hall was closed on February 15, 2016, in observance of President's Day; however, President's Day is not one of the Town's 11 declared holidays. Although Ordinance No. 1 of 2008 authorizes the Mayor and the Board of Aldermen (Board) to declare "any other days" as holidays, we were unable to find any ordinance or statute declaring President's Day a holiday in the Town. My auditors discussed this matter with three of the Town's five aldermen, all of whom said that closing Town Hall for President's Day was neither discussed with, nor approved by, the Board.

Recommendation: The Town should observe only those holidays specified in the Town's Ordinances. If the Town wishes to observe additional holidays, those holidays should be specified by ordinance.

Municipality Improperly Classified as a Town

According to the most recent federal census, the Town had 947 residents in 2010. State law¹ provides that municipalities with fewer than 1,000 residents should be classified as villages.

¹ **Louisiana Revised Statute (R.S.) 33:341** states "Municipal corporations shall be divided into three classes: cities, towns, and villages. Those having five thousand inhabitants or more are cities; those having less than five thousand but more than one thousand inhabitants are towns; and those having one thousand or fewer inhabitants are villages."

The Honorable Shaterral Johnson, Mayor
and Members of the Board of Aldermen
Town of Grand Coteau
April 20, 2016
Page 2

Because the Town has less than 1,000 inhabitants, state law² also requires the Board to adopt a resolution requesting the governor change its classification to a village based on the Town's current population. The Town is incorporated under the provisions of the Lawrason Act (R.S. 33:321- 463), which determines how municipalities are classified and the appropriate number of aldermen to be elected. State law¹ further provides that municipal corporations shall be divided into three classes: cities, towns, and villages. Those having 5,000 inhabitants or more are cities; those having less than 5,000, but more than 1,000 inhabitants, are towns; and those having 1,000 or fewer inhabitants are villages. In addition, state law³ provides that the number of aldermen in a village shall be three.

Although the Town has operated under the Lawrason Act as a town with five elected aldermen, federal census data indicates that the municipality has had fewer than one thousand inhabitants since at least 2010. Based on this information, the Town should be classified as a village, with three elected aldermen. State law² provides that when a municipality's population has decreased to cause a change in its present municipal class, the Board shall adopt a resolution requesting the governor change the classification of the municipality. Because the Town has had less than 1,000 inhabitants since at least 2010 and did not adopt a resolution requesting the governor to change its classification, the Town may be in violation of state law.^{1,2,3}

Recommendation: If the Town contends that the 2010 federal census is incorrect, and that the Town's population currently exceeds 1,000 citizens, the Board should pass a resolution to take its own census to establish the correct number of its citizens.² If, on the other hand, the Town concedes that its population has dropped below 1,001 citizens, the Board should adopt a resolution requesting the governor to change the Town's municipal classification to a Village as required by the Lawrason Act.²

Disorganized Records

The Town's records were disorganized, and certain records could not be located for our review. We found that (1) records were in multiple places or buildings and not filed in a central location; (2) certain records were stored in a building exposed to heat, cold, and moisture; and (3) it was time-consuming to find records we requested.

The Town's retrieval of information could be improved by better managing its paper records and through cost-effective and efficient implementation of non-paper systems, such as

² **R.S. 33:342 (A)** states, "Whenever a census taken by resolution of the board of aldermen of any municipality or a certified report from the federal Census Bureau shows that its population has increased or decreased so as to take the municipality out of its present municipal class, the board of aldermen shall adopt a resolution requesting the governor to change the classification of the municipality. The results of any census taken by resolution of the board of aldermen shall have been certified by the person authorized to take the census."

³ **R.S. 33:382 (A)** states, "The number of aldermen in a city shall be not less than five nor more than nine; the number of aldermen in a town shall be five; and the number of aldermen in a village shall be three."

The Honorable Shaterral Johnson, Mayor
and Members of the Board of Aldermen
Town of Grand Coteau
April 20, 2016
Page 3

electronic document imaging. By improving its filing system, the Town could reduce the number of misfiles and lost records. This also would allow the Town to comply promptly with public records requests. Additionally, the Town should identify vital records and ensure that they are not exposed to the elements. A carefully-designed disaster recovery plan could also help the Town reduce its vulnerability. The unintended loss of important records could cost the Town untold dollars and threaten the Town's ability to function.

Recommendation: The mayor and clerk should improve the management of the Town's public records by implementing a centralized record-keeping system, identifying vital records, and protecting them from the weather and disasters.

This correspondence represents our findings and recommendations, as well as management's response. This correspondence is intended primarily for the information and use of management of the Town. I trust this information will assist you in the efficient and effective operations of the Town. If you have any questions, please call Kevin Kelley or Sandra Whitehead at (225) 339-3800.

Sincerely,

A handwritten signature in blue ink, appearing to read "Daryl G. Purpera".

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP:aa

GRANDCOUTEAU

APPENDIX A

Management's Response

Town of Grand Coteau

OFFICIALS

SHATERRAL JOHNSON, Mayor
ANGIE DUGAS, LMMC
BRENDA DUGAS, CMC
DAVID NEVILLS, Town Supervisor
WILTON GUIDRY, Police Chief

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ALDERMEN

DANIELLE BELSON
JANICE FOX
DERRICK GUIDRY
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April 15, 2016

Via Facsimile Transmission (225) 336-5726

Hard Copy to Follow in U.S. Mail

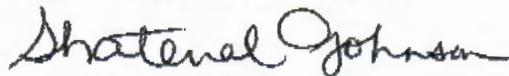
Louisiana Legislative Auditor
ATTN: Sandra G. Whitehead
PO Box 94397
Baton Rouge, LA 70804

Dear Ms. Whitehead:

The Town of Grand Coteau would like to first thank the Louisiana Legislative Auditors for coming in and doing the audit for our town. We would also like to thank you for the recommendations as we are moving forward to adopt the recommendations and hopefully, we will not have any more problems in the future.

Thank you kindly for your time in this matter.

With kindest regards, I remain
TOWN OF GRAND COTEAU



Shaterral Johnson, Mayor