



LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

May 26, 2014

## TOWN OF PEARL RIVER

Pearl River improperly paid almost \$30,000 in Christmas bonuses to its employees from 2011 to 2013, and the town's mayor and clerk used public funds to make personal purchases during the same period, according to a report released Monday by Legislative Auditor Daryl Purpera.

The investigative audit, which cites 10 findings against officials of the St. Tammany Parish community, has been turned over to the 22<sup>nd</sup> Judicial District Attorney's Office and the State Ethics Board. The findings specifically name Pearl River Mayor James Lavinge, Police Chief Benjamin Raynor and Town Clerk Diane Bennett.

The report said that Christmas bonus payments of \$5,192 were paid in 2011, \$12,100 in 2012 and \$12,500 in 2013, a possible violation of the state constitution. Town officials and supervisors were paid bonuses ranging from \$318 to \$740, while employees' bonuses ranged from \$53 to \$400.

The report said the bonuses were "falsely recorded as clothing allowances in the town's budgets and financial statements" as a way to get around the law prohibiting bonus payments.

In another finding, Lavinge allegedly used a town credit card in January 2013 to buy a residential generator for \$3,679. He claimed it was purchased to operate a town lift station but was not compatible and never installed. In 2012, the report said, he used \$816 in public money to buy a bass boat, trolling motor, marine battery and tachometer. The boat was registered to Lavinge and not the town, although the mayor said the equipment, except for the tachometer, was for the sewer department.

Raynor allegedly spent \$2,000 in 2013 to buy a cargo trailer with built-in cabinets from St. Tammany Parish Fire District 11. According to the state auditor's report, Raynor said he bought the trailer to use its cabinets in the police mobile command center then took possession of the trailer with instructions to Bennett to deduct \$200 a month from his pay to reimburse the town.

The report said that Bennett used \$5,215 in town funds from March 2012 through July 2013 to purchase building supplies and pool equipment for her personal residence and ordered town employees to pick up the supplies and deliver them to her residence during their work hours. Lavinge also used town funds totaling \$1,046 to buy a ring, a washer and a dryer between December 2011 and February 2013.



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Bennett and Lavigne eventually repaid the town, according to the report. Both said they used Pearl River money to make then purchases “to avoid paying sales taxes.” Lavigne also failed to have documentation for 101 of 106 credit card purchases, totaling more than \$13,000.

The report also cited Bennett for using public employees to run errands for her and said that Lavigne had Pearl River maintenance workers pick up garbage from his home and haul it to the Town Hall dumpster during their regular work hours -- both possible violations of state law.

Bennett was also cited for receiving eight extra payroll checks totaling \$7,896 between March 2012 and August 2013. She could not provide documentation “to indicate the she was entitled to receive these extra checks,” the report said.

It also found that:

- Lavigne may have violated state ethics laws by having a town tree-trimming contractor provide “free landscaping services” for him. According to town records, the contractor received payments totaling more \$61,600 from Pearl River between January 2012 and February 2014 for tree-cutting services.
- Raynor’s stepson received \$4,200 for the sale of an off-road vehicle. Documents indicated that the vehicle was registered to Raynor, and the chief may have violated ethics laws by conducting a transaction with his own agency.
- The town did not calculate Lavigne’s take-home vehicle, a GMC Terrain Denali, as part of his income and benefits package to be reported to the Internal Revenue Service.
- In March 2013, Lavigne traded in a week-old \$40,650 Dodge ram truck for the Denali, which cost \$37,797. Town records indicated that the truck was traded in for a value of \$32,500. “As a result of this transaction, the town lost \$8,150 in value on the Dodge Ram after one week,” the state auditor said.

**For more information, contact:**

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**On Twitter:** Pearl River improperly paid Christmas bonuses, officials used public funds for personal purchases.