LOUISIANA LEGISLATIVE AUDITOR

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Report Highlights

Town of Homer

Audit Control # 50240018
Investigative Audit Services • November 2026

Why We Conducted This Audit

We initiated an investigative audit of the Town of Homer (Town) in response to a report from the Town's fiscal administrator.

What We Found

Missing Utility Funds

Town records show $16,769 in cash collected for utilities from March 2024 to August 2024 were not deposited into the Town's bank account. Town Treasurer Shenovia Harris received each day's cash and check collections from the cashier and prepared the bank deposit. We found 19 instances in which the amount deposited was less than the amount collected in cash for utilities. Since Ms. Harris received cash that was not deposited, she may have violated state law.

Improper Credit to Customer Utility Accounts

Town records show that the personal and business utility accounts of Ms. Harris' landlord received 11 credits, totaling $4,475, from July 2022 to March 2024. However, the Town's records show no corresponding payments from her landlord or Ms. Harris. By crediting her landlord's personal and business accounts without payment to the Town, Ms. Harris may have violated state law.

Customer Utility Account Deposits Used for Payroll

Town records show transfers from the customer utility account deposits to the payroll account that were used for employee payroll in December 2021 and June 2022 totaling $81,869. Mayor Xanthe Seals told us she did not remember a specific conversation about using the utility deposit funds, but did remember saying the transfer of utility customer deposits could be done. Since the utility deposits are not the property of the Town, and Mayor Seals directed the use of utility deposits for employee payroll, she may have violated state law.

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What We Found (Cont.)

Improper Water and Sewer Rate Increase

Mayor Seals increased water and sewer rates without holding a public hearing and obtaining approval from the Town Council. The Town invoiced an additional $100,935 due to the rate increase from May 2024 until its revocation in August 2024. By increasing the rates without first holding a public hearing and obtaining approval of the Town Council, Mayor Seals may have violated Town ordinance, state law, and state regulations.

Improper Raises and Overtime for the Town Treasurer

The Town Treasurer received $88,056 in salary and overtime payments above her council-approved salary from January 17, 2019 to November 26, 2024. Mayor Seals told us she approved one salary increase and her timesheets. By approving these payments, Mayor Seals may have violated the Town's charter and state law.

No Budget for American Rescue Plan Act Funds and Improper Incentives to Town Officials

Mayor Seals directed and authorized the expenditure of $1,049,639 of American Rescue Plan Act funds without a council-approved budget. The expenditures included $18,000 of unbudgeted and unauthorized salary incentives to elected officials and Town employees. By authorizing these expenditures without a council-approved budget and salary incentives without the required approval, Mayor Seals may have violated state law and the state constitution.

Payroll Taxes not Paid

The Town did not remit $253,086 in federal and state payroll taxes for 2023 and 2024. This resulted in the Town incurring $96,806 in interest and penalties. By not making the required tax payments, Mayor Seals may have violated state and federal laws.