



State of Tennessee

Justin P. Wilson, State Comptroller

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Oak Ridge Utility District Manager Benefited From Abusive Operation of Utility District

The Oak Ridge Utility District's general manager used his position for personal benefit on more than one occasion, an investigation by the Comptroller's Division of Municipal Audit has revealed.

Also, the district paid travel expenses for two employees and their spouses to go on a trip to Rome, although they performed no work-related duties during that trip.

The general manager bought a damaged skid steer, a machine which had been used by the district for loading and digging. After he bought parts to repair the skid steer, he then ordered the district's mechanic to repair the machine at the district's shop, using district tools and materials, before taking the equipment home for his personal use.

The district also paid \$463 to add a subscription to XM satellite radio in a Chevrolet Tahoe purchased for the general manager's use. The \$38,820 vehicle's amenities included an off-road package, heated leather seats and a premium sound system – all of which were required to meet the district's minimum bid specifications for the vehicle.

Investigators determined that two district employees and their spouses went on a three-day trip to Rome at the district's expense. The trip was organized in conjunction with the East Tennessee Natural Gas Homebuilders program, a promotional effort intended to encourage homebuilders to provide natural gas hookups in the homes they build. Investigators could determine no business purpose for utility district employees to travel to Rome three days before a homebuilders' trip was set to begin, much less accompany the homebuilders on a Mediterranean cruise.

"It is important for utility district officials to remember that the money they receive from customers is still public money," Comptroller Justin P. Wilson said. "Therefore, it should be treated as such. Using district funds for personal gain is certainly no way for district officials to endear themselves to their ratepayers."

To view the report online, go to:

<http://www.comptroller1.state.tn.us/Repository/MA/Investigative/oakridgeud.pdf>

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