



Justin P. Wilson, Comptroller

April 18, 2018

Former Rogersville Water Department Superintendent Stole Thousands

An investigation by the Tennessee Comptroller’s Office, working in conjunction with the Tennessee Bureau of Investigation and Rogersville Police Department, has resulted in the indictment of Shawn Hatchett, the former Rogersville Water Department superintendent.

Investigators determined that Hatchett failed to deposit \$69,444 in cash by withholding money from 16 separate water department deposits he was supposed to deliver to the bank. Hatchett used a lapping scheme to carry out the theft. This scheme involves diverting a day’s collections for personal benefit and then concealing the misappropriation by depositing in its place a subsequent day’s collection.

Hatchett stole an additional \$500 by preparing an unauthorized check made payable to a department employee and requesting that the employee cash the check and bring the cash back to him. Hatchett kept the cash for his personal use.



Investigators also revealed that, beginning in 2015, Hatchett gave himself thousands of hours of compensatory time (comp time), even though city policies made him ineligible for comp time. In January 2017, for example, Hatchett ordered the water department payroll clerk to add 3,000 hours of comp time to his leave balance.

Shawn Hatchett’s Annual Compensation from the Department			
Year	2015	2016	2017*
Base Pay	\$ 75,103	\$ 75,181	\$ 49,365
Comp time	63,975	83,878	45,782
Redeemed leave	9,265	8,149	12,328
Other pay	3,670	3,487	1,958
Total Compensation	\$152,013	\$170,695	\$109,433

* Compensation received prior to termination in August 2017.

Finally, Hatchett failed to notify water department board members that he had been working with Hawkins County Schools as a private contractor. This prevented board members from determining whether or not a conflict of interest existed.

The Rogersville Water Department board suspended Shawn Hatchett with pay on July 18, 2017, and terminated him on August 14, 2017. In April 2018, Hatchett was indicted by the Hawkins County Grand Jury on one count of theft of property over \$250,000, one count of theft of property over \$60,000, and one count of official

misconduct.

“This investigation points to a number of issues that should be addressed by the Rogersville Water Department and its Board,” said Comptroller Justin P. Wilson. “Board members must ensure that money is deposited in the bank within three business days, and recognize the importance of confirming payroll is both reasonable and valid.”

To view the investigation online, go to: <http://www.comptroller.tn.gov/ia/>

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