



COMPTROLLER'S INVESTIGATIVE REPORT

City of Munford

March 9, 2020

Justin P. Wilson
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

March 9, 2020

Board of Mayor and Alderman
1397 Munford Avenue
Munford, TN 38058

Ladies and Gentlemen:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the City of Munford, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Lee, the State Attorney General, the District Attorney General of the 25th Judicial District, certain state legislators, and various other interested parties. A copy is available for public inspection in our office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin P. Wilson", written in a cursive style.

Justin P. Wilson
Comptroller of the Treasury

JPW/MLC

INVESTIGATIVE REPORT

City of Munford

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the City of Munford. The investigation was limited to select records for the period June 1, 2018, through April 25, 2019. The results of the investigation were communicated with the Office of the District Attorney General of the 25th Judicial District.

BACKGROUND



Incorporated in 1905, the City of Munford is located within Tipton County. The Board of Mayor and Aldermen is vested with legislative authority for the city. The Board is comprised of six Aldermen who are elected at-large to a four-year term. The Mayor is also elected at-large to a four-year term and serves as head of the Board. The city operates through various departments that provide parks, recreation, law enforcement, fire protection, rescue, emergency management response, water, gas, and sewer services to residents.

As City Manager, Peter Colin had the responsibility to administer and develop rules and regulations necessary for effectively administering the personnel system for the city. Furthermore, he was responsible for maintaining adequate records of employment for city personnel.

RESULTS OF INVESTIGATION

- CITY MANAGER PETER COLIN IMPROPERLY ACQUIRED A CITY VEHICLE FOR PERSONAL GAIN**

City Manager Peter Colin improperly acquired a city owned Jeep Cherokee for personal gain, and Mayor Dwayne Cole did not take any disciplinary action.

Our investigation revealed that in June 2018, Colin temporarily titled a city-owned 1999 Jeep Cherokee in his name so he could receive a \$2,500 rebate on the purchase of a personal vehicle. (**Refer to Exhibit 1**). According to Colin, he titled the vehicle under his name as an auto dealership was offering a rebate if the

Exhibit 1



1999 Jeep Cherokee

customer would purchase a General Motors vehicle while owning a competing brand's vehicle. At the time, Colin did not have a qualified vehicle for the rebate. On June 27, 2018, Colin wrote the city a personal check for \$500 for the city's Jeep and gave the check to the City Recorder. After receiving the check from Colin, the City Recorder advised Colin the transaction should not have taken place thus the City Recorder never deposited the check. However, Colin had already obtained the title for the Jeep from the City Recorder and transferred the Jeep's title to himself indicating the city sold the vehicle to him for \$500. The City Recorder informed Colin he needed to return the Jeep to the city that same week. Colin purchased his new vehicle on June 29, 2018 and used the title of the Jeep to obtain the additional rebate of \$2,500 adding to the \$3,143.42 in rebates he was already receiving. (Refer to Exhibit 2)

Exhibit 2

CUSTOMER NAME: PETER COLIN
VIN: [REDACTED]

Customer Incentive Acknowledgement

1. Customer Incentive
 I assign the total amount of customer incentive (s) listed to (a) to the down payment of this vehicle, (b) where incentive; and final price with incentive applied), or c)

Incentive Program Reference	Amount
CONSUMER CASH	\$ N/A
GM CARD	\$ 2393.42
GM SUPPLIER FOR EVERYONE	N/A
GM SELECT NAMEPLATE	\$ 2500.00
GM DOWN PAY ASSIS	\$ 750.00
N/A	\$ N/A
Total Incentive Amount Received	\$ 5643.42

Tennessee Department of Revenue
CERTIFICATE OF VEHICLE REGISTRATION

License No.	1000	Class	2006	Base Vr	001	Trans Code	Date of Issue	Expiration Date
Title No.		Make	JEEP	Model	CHK	Year	06/27/2018	06/30/2019
Year	1999	Body	4W	Door	O	License		
County	Tipton	County Clerk	Mary Gaither	Vehicle No.		County Broker	P	City Broker
City		City Clerk		Weight		Reg Weight	P	N/A

PETER COLIN
 [REDACTED]

PROOF OF COMPETITIVE OWNERSHIP

GM Select Nameplate rebate received by Colin for ownership of the Jeep

Per Colin, he intended to return the vehicle to the city for \$400. This would net the city \$100 (\$500 less \$400) in the transaction. Since the city did not deposit his check, the city did not pay Colin \$400 for the return of the vehicle. Colin transferred the title for the Jeep back to the city on July 18, 2018. In addition, Colin improperly included the intended \$400 sales price on the new title and donated \$100 to the city on July 19, 2018. (Refer to Exhibit 3).

Exhibit 3

VEHICLE COST / TAX INFORMATION <small>*(required for Title & Registration Transactions)</small>				
SALE PRICE 400.00	TRADE IN ALLOWANCE	TAXABLE AMOUNT 400.00	SALESTAX PAID	"TAX EXEMPTION REASON / SALES TAX #" GOV EXEMPT
DEALER NAME		DEALER ADDRESS		DEALER #

Exert from the title documenting the sales price

Colin told investigators that he asked Mayor Cole for permission before purchasing the Jeep. In a statement provided, the Mayor stated he did not understand Colin’s idea and made no comment to authorize him to proceed. Colin acknowledged the entire transaction “was just a stupid thing to do.”

The Munford Municipal Code, § 4-307, states “An official or employee may not use or authorize the use of city time, facilities, equipment, or supplies for private gain or advantage to any private person or entity, except as authorized by legitimate contract or lease that is determined by the governing body to be in the best interests of the city.”

Furthermore, the Munford Municipal Code, § 4-311, states “an appointed official or an employee who violates any provision of this chapter is subject to disciplinary action.” In the interview on April 25, 2019, the Mayor told investigators that he had not made the Board aware of this transaction nor had he taken any disciplinary action against Mr. Colin as he was unaware the transactions involving the Jeep took place.

On May 7, 2019, Colin submitted a letter of resignation to the city effective immediately.

On March 2, 2020, the Tipton County Grand Jury indicted Peter Colin on one count of Official Misconduct.

[City of Munford Investigation Exhibit](#)