



## COMPTROLLER'S INVESTIGATIVE REPORT

**City of Loretto**

*June 27, 2025*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

June 27, 2025

Mayor Steve McMasters and  
City Council Members  
415 N Military Street  
Loretto, TN 38469

City of Loretto Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the City of Loretto, 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 22<sup>nd</sup> Judicial District, certain state legislators, and various other interested parties. A copy of the report is available for public inspection in our Office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. E. Mumpower', with a long horizontal line extending to the right.

Jason E. Mumpower  
Comptroller of the Treasury

JEM/MLC

# INVESTIGATIVE REPORT

## City of Loretto

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the City of Loretto. The investigation was limited to selected records related to an event that occurred on December 17, 2024. The results of the investigation were communicated with the Office of the District Attorney General of the 22<sup>nd</sup> Judicial District.

### BACKGROUND



The City of Loretto (city) is located in Lawrence County, Tennessee, and has a population of approximately 1,700 people. The city is governed by a mayor, a vice mayor, and one alderman, and employs a city administrator, a utility manager, as well as other city employees. The city administrator supervises the utility manager and their employees.

On Tuesday, December 17, 2024, the city administrator encountered an issue with the septic tank at his personal residence. The city administrator's personal residence is located in the community of Leoma, Tennessee, and it is approximately seven miles outside of the municipal limits of the city. The city administrator contacted the city utility manager, and the utility manager and a utility employee traveled to the city administrator's home in a city-owned vehicle to evaluate the septic tank. With the city administrator's consent and approval, the city utility manager and utility employee pumped wastewater from the septic tank onto the city administrator's private property using a portable pump that the utility manager alleged he personally owned. According to the city administrator, they removed the non-functional septic tank pump and replaced it with a new one that the city administrator allegedly obtained via a warranty. According to the city employees, the work took approximately two hours and occurred during the regular workday.



## RESULTS OF INVESTIGATION

### 1. CITY OF LORETTO PERSONNEL DISPOSED OF WASTEWATER FROM CITY ADMINISTRATOR JESSE TURNER'S SEPTIC TANK ONTO PRIVATE PROPERTY

The city administrator, Jesse Turner, approved the city's utility manager and a utility employee to dispose of wastewater from Turner's septic tank (**Refer to Exhibit 1 and Exhibit 2**) onto Turner's private property. Tennessee Code prohibits the disposal of sewage on private property. This took place in the community of Leoma in Lawrence County, Tennessee, and not within the municipal limits of the city. The incident occurred on Tuesday, December 17, 2024, during the city's normal business hours.

**Exhibit 1**



*Photograph from Turner's septic system's 2022 Certificate of Completion from the Tennessee Department of Environment and Conservation showing the subsurface sewage disposal system*

**Exhibit 2**



*Photograph from Turner's septic system's 2022 Certificate of Completion from Tennessee Department of Environment and Conservation showing the system's uphill drain lines*

## **2. CITY OF LORETTO PERSONNEL PUMPED CITY ADMINISTRATOR JESSE TURNER'S SEPTIC TANK WITHOUT A PERMIT**

Per the State of Tennessee's environmental regulations pertaining to wastewater, wastewater removed from a septic tank must be pumped by a septic pumper with an active permit issued by the Tennessee Department of Environment and Conservation (TDEC). Neither Turner nor the city utility manager and utility employee who pumped the septic tank were holders of active permits that would allow them to lawfully pump the septic tank.

## **3. CITY OF LORETTO CITY ADMINISTRATOR JESSE TURNER RECEIVED A BENEFIT FROM WORK COMPLETED ON HIS PRIVATE PROPERTY BY CITY EMPLOYEES**

Turner received a benefit by authorizing the use of city employees to pump and dispose of wastewater on his private property, at no cost to him, without using a septic pumper with an active permit. A review of TDEC records showed that there was one septic pumping business with an active permit and a business address in Leoma, Tennessee, at the time of the incident. Per inquiries made by investigators, fees for this type of service would have ranged from \$275 to \$500, depending on the condition and volume of the septic tank.

On June 25, 2025, the Lawrence County Grand Jury indicted Jesse Turner on one count of Official Misconduct.

The charges and allegations contained in the indictment are merely accusations of criminal conduct, and not evidence. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt and convicted through due process of law.

[City of Loretto Investigation Exhibit](#)

### **COMPLIANCE DEFICIENCY**

Our investigation revealed a deficiency in compliance with municipal regulations.

#### **Deficiency 1: City employees did not comply with the City of Loretto's municipal code pertaining to the use of municipal assets**

City employees failed to follow the city's municipal code pertaining to the use of municipal assets. Per the *Loretto City Code, 4-305 - Use of municipal time, facilities, etc.*, "No city officer or employee shall use or authorize the use of municipal time, facilities, equipment or supplies for private gain or

advantage to himself or any other private person or group.” The work conducted by city employees at the city administrator’s direction on the city administrator’s private property during the city’s normal business hours on Tuesday, December 17, 2024, provided the city administrator with a benefit of not having to pay a licensed professional to complete the work.

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