



## COMPTROLLER'S INVESTIGATIVE REPORT

### Deer Lodge Volunteer Fire Department

*May 27, 2026*

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



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

May 27, 2026

Morgan County Executive and  
Members of the County Commission  
PO Box 387  
Wartburg, TN 37887

Morgan County Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Deer Lodge Volunteer Fire Department, 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 9th 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 "Jason E. Mumpower", with a long horizontal flourish extending to the right.

Jason E. Mumpower  
Comptroller of the Treasury

JEM/MLC

# INVESTIGATIVE REPORT

## Deer Lodge Volunteer Fire Department

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Deer Lodge Volunteer Fire Department. The investigation was limited to select records for the period January 1, 2024, through December 31, 2025. The results of the investigation were communicated with the Office of the District Attorney General of the 9th Judicial District.

### BACKGROUND



The Deer Lodge Volunteer Fire Department (department), located in the unincorporated community of Deer Lodge in Morgan County, was incorporated on November 9, 1978, as a nonprofit organization established to operate a volunteer fire department and perform functions ordinarily associated with fire protection within the community. The department receives annual funding

contributions from Morgan County and additional revenue through personal donations and community fundraising activities.

### RESULTS OF INVESTIGATION

#### 1. DEER LODGE VOLUNTEER FIRE DEPARTMENT CHIEF MISAPPROPRIATED DEPARTMENT FUNDS TOTALING AT LEAST \$418.74

The department's fire chief misappropriated \$418.74 in department funds for personal utility expenses. The fire chief used the department's debit card on at least two occasions to pay personal monthly bills. Specifically, he used the department's debit card in October 2025 to pay an electric utility bill totaling \$229.80 and again in December 2025 to pay a telephone utility bill totaling \$188.94.

During an interview with investigators, the fire chief stated that department funds were always used for fire department purposes. He later stated that, in the past, the department may have paid a member's electric bill as a loan if the member was experiencing financial difficulty. However, the fire chief stated such occurrences were infrequent and undocumented.

In March 2026, investigators followed up with the fire chief regarding repayment of the utility expenses. Shortly after the conversation, investigators received confirmation of a \$420 deposit into the department's bank account. Bank records showed the deposit was made approximately seven hours after investigators contacted the fire chief.

## INTERNAL CONTROL DEFICIENCY

Our investigation revealed a deficiency in internal control, which contributed to the fire chief's ability to perpetrate his misappropriation without prompt detection. This deficiency included:

**Deficiency 1: Department officials did not have adequate oversight of debit card expenditures**

The department lacked adequate oversight and internal controls over debit card expenditures. Investigators determined that department debit card transactions occurred without sufficient review, supporting documentation, or board approval. The absence of effective oversight increased the risk that department funds could be used for unauthorized or personal purposes without prompt detection. Additionally, investigators identified no evidence that the board reviewed or approved any policy authorizing loans to department members or establishing procedures for documenting and monitoring repayment obligations.

Department officials indicated that they have corrected or will correct these deficiencies.

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