



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

*January 17, 2025*

## **Former Sevier County Utility District President Indicted Following Major Kickback Scheme**

An investigation by the Tennessee Comptroller's Office, working in conjunction with the Tennessee Bureau of Investigation, has resulted in the indictment of Matthew Ballard, the former district president of the Sevier County Utility District (SCUD) which supplies natural gas to more than 14,000 customers.

Investigators determined that Ballard misappropriated at least \$181,582.83 from the SCUD. This includes the following:

- Ballard misappropriated \$158,760 from the district through a kickback scheme with an electrical company. Ballard requested the owner of the electrical company to overbill the SCUD, then provide a kickback to Ballard or his father, Eddie Ballard.
- Ballard misappropriated \$18,581.27 in employee payroll by directing district employees to perform work on either his or his father's personal properties. This work included yardwork, general home maintenance, gravel work, installation of an in-ground pool, and other projects. The employees often used SCUD vehicles and equipment to perform the work.
- Ballard directed a SCUD employee to purchase a leaf and lawn vacuum for \$4,241.56 that was used exclusively on Ballard's personal property.



Investigators also identified a number of other issues involving Ballard:

- Ballard instructed a district employee to write false information on an invoice in an effort to conceal the fact that he was settling a gambling debt.
- Ballard interfered with the investigation by clearing data from his work-assigned devices and directing a SCUD employee to lie to the SCUD board.
- Ballard authorized at least \$1,704,876.11 in questionable SCUD spending. This included payments such as \$778,404.65 to the electrical company that paid him kickbacks, \$585,137.57 in payments to a landscaping/construction company without bidding the work, and \$118,000 in payments to a consulting firm that paid for alcohol at activities attended by SCUD employees, among others.

Ballard also served as president of SCUD during a previous investigation of the district performed by the Comptroller's Office in 2011.

Matthew Ballard’s employment with the district was terminated on March 22, 2023. Based upon this investigation, in January 2025, Ballard was indicted by the Sevier County Grand Jury on one count of bribery of a public servant and one count of official misconduct. His father, William Edgar Ballard, was indicted on one count of criminal responsibility for conduct of another.

“Mr. Ballard’s actions and his disregard for the ratepayers within the district are egregious,” said Comptroller Mumpower. “I am disappointed that the Sevier County Utility District board did not provide the oversight necessary to question Ballard’s decisions and expenses, despite the clear warning signs that began with our 2011 investigative report. I know the Tennessee Board of Utility Regulation will be thorough in its review of this case at its next regular meeting.”

To view the investigative report, go to [tncot.cc/doireports](https://tncot.cc/doireports). To view a map depicting Comptroller investigations, go to [tncot.cc/mappinginvestigations](https://tncot.cc/mappinginvestigations)

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