



COMPTROLLER'S INVESTIGATIVE REPORT

City of Minor Hill

August 11, 2025

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

August 11, 2025


Board of Aldermen
13200 Minor Hill Highway
Minor Hill, TN 38473

City of Minor Hill Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the City of Minor Hill, 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 22nd 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,



Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

City of Minor Hill

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the City of Minor Hill. The investigation was initiated after an initial review of city records by Comptroller investigators discovered suspicious activity. The investigation was limited to selected records for the period August 23, 2021, through September 10, 2024. The results of the investigation were communicated with the Office of the District Attorney General of the 22nd Judicial District.

BACKGROUND



The City of Minor Hill (city) is in Giles County, Tennessee, and has a population of approximately 500 people. The city is governed by a mayor, vice mayor, and board of alderman, and employs a city recorder, a maintenance worker, a part-time police chief, and a librarian. The city's facilities include the city hall, vehicle bays for the fire and police departments, the public library, and the community building at the city's park.

The city has a dual-signature policy which requires the mayor and city recorder to sign each check that is disbursed. All checks are handwritten by the city recorder and the city performs payroll on a weekly basis.

The city collects payments for various taxes, traffic citation fines, court costs, community facility rental fees, and donations to the public library or volunteer fire department. Traffic court for the city is held on the first Monday of each month, with the city recorder serving as the court clerk. Residents can reserve the community building or pavilion at the city park for a rental fee paid to the city. The city accepts payments in the form of cash, check, debit or credit card, or electronic transfer. Additionally, card payments are accepted through PayPal or Square, and electronic payments are accepted through PayPal or Venmo.

Ashley Stogner was hired as the city recorder on August 23, 2021. The city recorder is responsible for maintaining accounting records, receipting collections, preparing bank deposits, reconciling bank statements monthly, preparing and processing payroll, serving as court clerk, and organizing city fundraisers. Stogner's employment with the city was terminated on August 23, 2024.

RESULTS OF INVESTIGATION

1. FORMER CITY RECORDER ASHLEY STOGNER MISAPPROPRIATED FUNDS TOTALING AT LEAST \$105,342.52 FROM THE CITY OF MINOR HILL

During the period August 23, 2021, through September 10, 2024, former city recorder Ashley Stogner misappropriated city funds totaling \$105,342.52. Stogner misappropriated funds through unauthorized payroll checks to herself, unauthorized disbursements from the city's PayPal account, misappropriation of city cash collections from residents, and misappropriation of city library donations collected through Venmo, which she retained for personal use and benefit. Investigators identified the following improprieties:

A. Stogner misappropriated funds totaling at least \$67,891.77 through unauthorized payroll checks to herself

Stogner misappropriated \$67,891.77 from the city by issuing herself 144 unauthorized payroll checks. Stogner concealed her misappropriation by signing the mayor's name on both the unauthorized payroll checks and some of her payroll checks that were legitimately earned. Stogner forged the mayor's signature on a total of 207 of the 301 payroll checks she received. Stogner did not record the unauthorized payroll checks that she received in the city's accounting software.

Stogner's Net Payroll Checks by Year						
Year	Paid		Earned		Unauthorized	
	#	Amount	#	Amount	#	Amount
2022	70	\$ 31,585.40	52	\$ 23,463.44	18	\$ 8,121.96
2023	115	\$ 51,890.31	52	\$ 23,463.44	63	\$ 28,426.87
2024	97	\$ 48,171.46	34	\$ 16,828.52	63	\$ 31,342.94
Total					144	\$ 67,891.77

Stogner began writing herself unauthorized payroll checks in 2022, with the number increasing each year. She received 18 unauthorized payroll checks in 2022, 63 in 2023, and 63 in the first eight months of 2024 (See Exhibit 1). As a result, Stogner received more than double her earned compensation in 2023 and nearly triple her earned compensation in 2024.

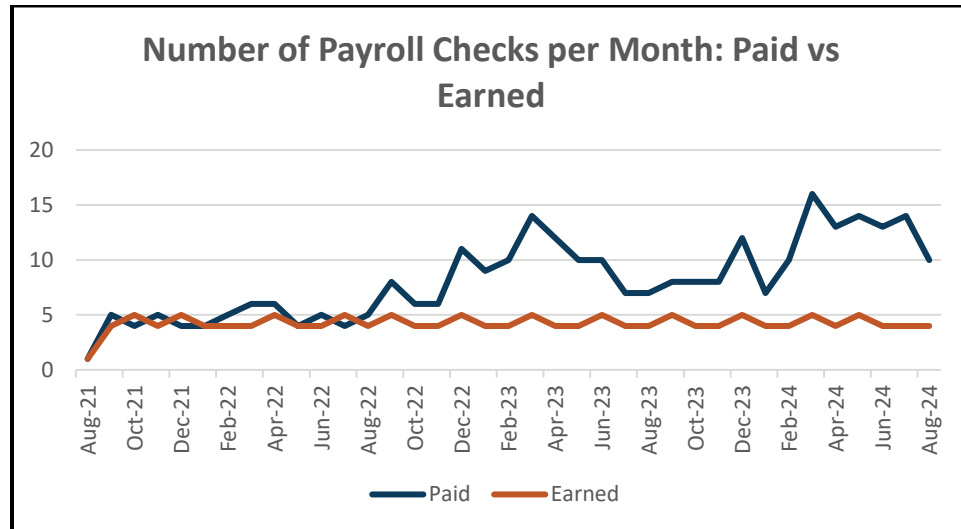


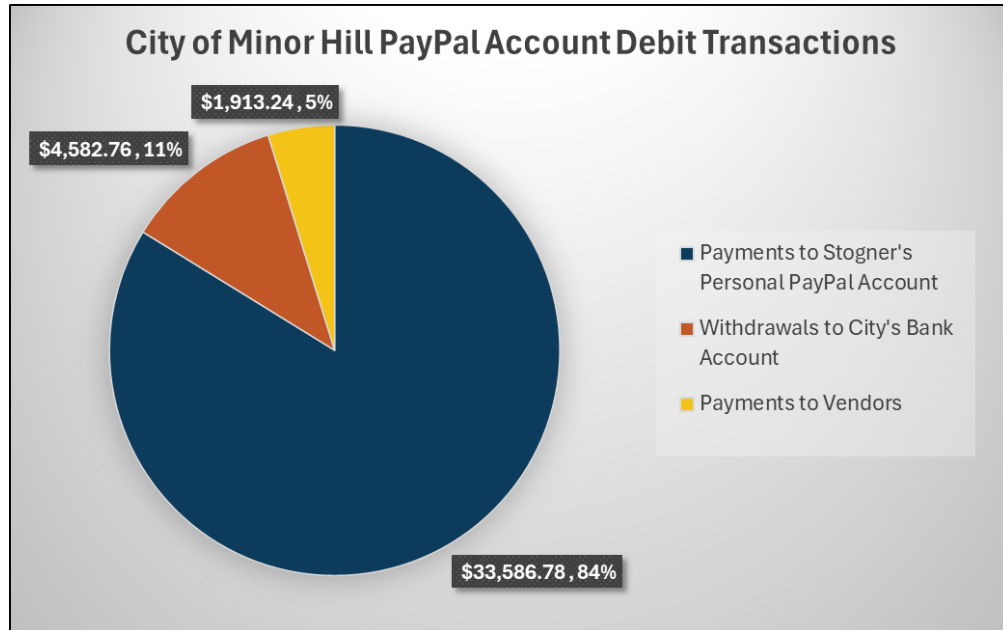
Exhibit 1

 07/29/2024 23900 \$75.00	 07/25/2024 23910 \$550.10
 07/22/2024 23901 \$550.10	 07/24/2024 23918 \$550.10
 07/19/2024 23902 \$550.10	 07/30/2024 23919 \$550.10
 07/18/2024 23903 \$550.10	 07/31/2024 23920 \$550.10
 07/31/2024 23904 \$550.10	

Excerpt from the July 2024 bank statement for the city's General Fund showing eight of the fourteen payroll checks paid to Stogner in July 2024

B. Stogner misappropriated funds totaling at least \$33,586.78 by making unauthorized payments from the city's PayPal account

Stogner misappropriated funds totaling at least \$33,586.78 by making 168 unauthorized payments from the city's PayPal account to her personal PayPal account. The first payment to Stogner's PayPal account was made on October 12, 2021, less than two months after her hire date. During her tenure, payments and withdrawals from the city's PayPal account totaled \$40,082.78, 84% of which were payments to Stogner's personal PayPal account.



Stogner regularly made payments to herself shortly after the city received collections through PayPal, depleting the PayPal account balance. For example, on October 4, 2022, at 1:14 p.m., the city's PayPal account received a \$162.37 court cost payment. Approximately one minute later, at 1:15 p.m., Stogner accessed the city's PayPal account and paid that exact amount to her personal PayPal account (**Exhibit 2**).

Exhibit 2

Date	Time	TimeZone	Name	Type	Amount	Balance
10/1/2022	12:50 PM	CDT		Receipt	162.37	162.37
10/1/2022	1:07 PM	CDT	Ashley Stogner	Mobile Payment	(162.37)	-
10/3/2022	6:05 PM	CDT		Receipt	162.37	162.37
10/3/2022	6:09 PM	CDT	Ashley Stogner	Mobile Payment	(162.37)	-
10/4/2022	6:04 AM	CDT		Receipt	134.62	134.62
10/4/2022	6:52 AM	CDT	Ashley Stogner	Mobile Payment	(134.62)	-
10/4/2022	1:14 PM	CDT		Receipt	162.37	162.37
10/4/2022	1:15 PM	CDT	Ashley Stogner	Mobile Payment	(162.37)	-
10/19/2022	3:01 PM	CDT		Receipt	162.37	162.37
10/20/2022	8:27 AM	CDT	Ashley Stogner	Mobile Payment	(162.37)	-
10/27/2022	10:52 AM	CDT		Receipt	163.05	163.05
10/27/2022	11:08 AM	CDT	Ashley Stogner	General Payment	(163.05)	-
11/3/2022	1:28 PM	CDT		Receipt	162.37	162.37
11/3/2022	1:31 PM	CDT	Ashley Stogner	General Payment	(162.37)	-
11/6/2022	4:41 PM	CST		Receipt	162.37	162.37
11/6/2022	4:42 PM	CST	Ashley Stogner	Mobile Payment	(162.37)	-

Transactions from the city's PayPal account show Stogner's regular misappropriation of PayPal collections shortly after receipt

C. Stogner misappropriated funds totaling at least \$3,717.50 in cash collections

Stogner misappropriated funds totaling at least \$3,717.50 in cash collections from December 1, 2022, to August 23, 2024. During this period, the city collected \$4,837.50 in cash but deposited only \$1,120, leaving \$3,717.50 of the cash unaccounted for. Stogner was responsible for collecting, receipting, and depositing these cash collections.

The city's bank account records show regular cash deposits from August 2021 through November 2022. However, beginning in December 2022, cash deposits became less frequent. From August 23, 2021, to November 30, 2022, the city made 22 cash deposits totaling \$11,746. In contrast, only two cash deposits totaling \$1,120 were made between December 1, 2022, to August 23, 2024. This decrease in cash deposits occurred despite Stogner recording \$3,932.50 in cash receipts during that period.

Investigators also identified unrecorded cash collections from the city's 2023 Turkey Shoot fundraiser. The annual Turkey Shoot, held the Saturday before Thanksgiving each year, benefits the Minor Hill Volunteer Fire Department. Participants compete in target shooting for a meat prize. Rounds for a turkey cost \$3 per participant and rounds for a ham cost \$5 per participant. According to city officials, Turkey Shoot participants almost always paid in cash, but receipts were not issued at the event.

Investigators used the available records from the 2023 Turkey Shoot that showed the number of participants in each round and the type of meat prize for each round to determine the city should have collected at least \$905 from the fundraiser. However, no corresponding cash deposits were made to the city's bank accounts in the weeks or months following the 2023 Turkey Shoot, nor were any checks or PayPal payments recorded related to the fundraiser.

Calculation of Misappropriated Cash Collections December 1, 2022, to August 23, 2024		
Cash Collections		
Cash Collections per Receipt Books	\$	3,932.50
Cash Collections from 2023 Turkey Shoot	\$	905.00
Total Cash Collections	\$	4,837.50
Less: Cash Deposits	\$	1,120.00
Misappropriated Cash Collections	\$	3,717.50

D. Stogner misappropriated at least \$146.47 in Minor Hill Public Library donations

Stogner misappropriated \$146.47 in Minor Hill Public Library (library) donations by transferring funds from the library's Venmo account to her personal Venmo account. Investigators reviewed Venmo account records and found that the library's Venmo account was created on January 4, 2023, as a business account linked to Stogner's personal Venmo account. The Minor Hill Public Library relies on donations and grants to fund improvements to the library and programs for the city's children (**Exhibit 3**). The library's Venmo account received seven donations totaling \$150 between January 4, 2023, and July 7, 2023, and the Venmo account was charged \$3.53 in fees related to the donations. On June 24, 2023, Stogner accessed the library's Venmo account and transferred \$126.95 from the library's Venmo account to her personal Venmo. Stogner then made a second transfer of \$19.52 on September 10, 2024, which was 18 days after her employment with the city had been terminated.

Exhibit 3



Venmo transactions showing donations made to the Minor Hill Public Library

Summary of Misappropriation	
Method	Amount
A. Unauthorized Payroll Checks	\$ 67,891.77
B. Unauthorized PayPal Payments	33,586.78
C. Cash Collections	3,717.50
D. Library Donations	146.47
Total Misappropriation	<u>\$ 105,342.52</u>

2. FORMER RECORDER ASHLEY STOGNER SIGNED THE MAYOR'S SIGNATURE ON 326 CHECKS

From August 23, 2021, to August 23, 2024, Stogner signed the mayor's signature on 326 checks from the city's General Fund, Sanitation Fund, and Public Library Fund. The mayor reviewed all suspected signatures and confirmed that the signatures on the checks in question were not his. Stogner forged the mayor's signature on 207 of her payroll checks. The other 119 checks signed without the mayor's authorization appeared to be for legitimate City of Minor Hill expenses. It appears Stogner only received a financial benefit from the forged checks she wrote to herself.

On July 9, 2025, the Giles County Grand Jury indicted Ashley Spry Stogner on two counts of Theft of Property: (Count 1 - more than \$60,000 but less than \$250,000; Count 6 – more than \$1,000 but less than \$2,500), two counts of Forgery (Count 2 - \$60,000 or more; Count 7 – more than \$1,000 but less than \$2,500), two counts of Official Misconduct (Counts 3 & 8), two counts of Destruction & Tampering with Governmental Records (Counts 4 & 9), and one count of Computer Crimes Act Violation more than \$10,000 but less than \$60,000 (Count 5).

These criminal charges resulted from concurrent investigations of the Minor Hill Utility District and the City of Minor Hill.

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 Minor Hill Investigation Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal control and compliance, some of which contributed to Stogner's ability to misappropriate funds without prompt detection. These deficiencies included:

Deficiency 1: City officials did not ensure collections were deposited promptly

City officials failed to ensure that the city recorder deposited collections within three working days, as required by Tenn. Code Ann. § 6-56-111. Depositing funds timely provides accountability and reduces the risk of undetected errors or misappropriations. The city recorder regularly held receipted checks for months before depositing them.

Deficiency 2: City officials did not provide adequate oversight and did not implement adequate segregation of financial duties

City officials did not provide adequate oversight and did not separate financial duties. Stogner was responsible for receipting collections, preparing bank deposits, and reconciling receipts with bank deposits. Stogner was also the only individual with access to the city's online payment application accounts. City officials only reviewed the income statement produced by Stogner at each monthly meeting and did not review bank statements. City officials are responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and the effectiveness and efficiency of operations. Separating financial duties and providing adequate oversight reduces the risk that errors or misappropriations will occur and remain undetected.

Deficiency 3: City officials did not properly maintain board minutes

The mayor and board of aldermen held regular meetings but could not provide investigators with board meeting minutes for all meetings within the scope of the investigation. According to Tenn. Code Ann. § 8-44-104, the minutes are the official record of the board, should accurately reflect the board's actions, and should be properly recorded and maintained on file for review.

Deficiency 4: City officials failed to maintain written policies and procedures

City officials failed to maintain written policies and procedures. According to the *Internal Control Manual for Local Government Entities and Other Audited Entities in Tennessee*, local governments should maintain written policies and procedures for internal controls, travel, personnel, and purchasing. Policies should specify acceptable use of city assets and establish control activities to mitigate risks related to disbursement transactions.

City officials indicated that they have corrected or intend to correct these deficiencies.