

## DA: Ex-Grand Island employee stole \$116,000 to feed gambling habit

By [Stephen T. Watson](#) | *Published February 19, 2019* | *Updated February 19, 2019*

A former supervisor with the Town of Grand Island's senior center stole \$116,000 in cash over a six-year period to feed her gambling habit, Erie County District Attorney John J. Flynn said. Barbara Gannon, 71, pleaded guilty Tuesday in Erie County Court to a charge of second-degree grand larceny, a felony. She faces up to 15 years in prison at her May 2 sentencing before Judge Sheila DiTullio.

Gannon already has paid the town back \$6,000 and agreed to reimburse Grand Island for the rest of the money, though Flynn said after the court proceedings that he doubts she can or ever will.

The district attorney, whose office launched an investigation into the missing money more than a year ago, sharply criticized the town for its lack of internal financial controls. "What is really disturbing is it took Grand Island six years to uncover this," Flynn told reporters. Grand Island Supervisor Nathan McMurray was in office for the last two years of the thefts. "I agree that there were problems with the way things were done before I got there," McMurray said. "And I'm proud we were able to identify this wrongdoing and refer the matter to the authorities."

Paul Fallon, Gannon's attorney, declined comment outside court. Candace K. Vogel prosecuted the case. Gannon, a Grand Island resident, retired in December 2017 after serving as recreation supervisor with the town's Golden Age Center for a number of years.

Town officials previously told The News that they learned of the missing money in January 2018 and turned the case over to the District Attorney's Office at that time. Flynn said Tuesday that an accountant with the town went through the center's financial records after Gannon's retirement and noticed some unpaid invoices that led to discovery of the thefts.

Grand Island's senior center, as is the case with centers operated by other towns in the area, organized regular trips to Niagara Falls, Buffalo Bisons games and other destinations, Flynn said. Participating seniors paid a small fee, typically in cash, to help cover the costs of the trips. Gannon, according to Flynn, set up a bank account to handle those payments to the Golden Age Center, but she was the only person who had to sign off on deposits or withdrawals from the account.

Between 2011 and 2017, over the course of numerous transactions, Gannon set aside or removed town money for her own purposes, Flynn said. The town apparently didn't audit the center's finances and had no idea this was going on, Flynn said. When she was confronted with the thefts, Flynn said, Gannon was cooperative and took responsibility.

A resolution passed by the Town Board last month states that an unnamed former town employee has made restitution of \$6,000 to Grand Island, leaving a balance of \$110,000 covered by the town's insurance carrier. The Town Board took the procedural step to allow the carrier to make this reimbursement. The board resolution states the town "has implemented certain financial management protocols" to avoid future losses of this type.

"It is an extremely sad tale," said McMurray, who added Gannon was highly regarded during her 17 years in town government. Gannon said little in court Tuesday beside giving yes or no answers to the judge's questions. Flynn said he doesn't know what sentence recommendation he will make to DiTullio. The lowest possible sentence is probation. He said gambling addiction is recognized as a disease, and he will also take into account Gannon's age and lack of a prior criminal record. But he did say Gannon violated her trust as a public employee. "She basically directly robbed the taxpayers of Grand Island, and that is unacceptable."