

THE TOWN OF

NATHAN D. McMURRAY
Supervisor

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RESOLUTION

The Town Board has become aware of the theft of certain Town funds. The issue was discovered following the Town's analysis of accounts used for the Town's Golden Age Center programs. At the direction of the Town Board, the Town Accountant and attorneys for the Town, have been working cooperatively with the Erie County District Attorney's office to review the transaction history regarding bank accounts utilized for the Golden Age Center programs for the period from 2011 to 2017. As a result of this investigation, the Town determined that it had suffered a loss of approximately \$116,000. A former employee in the Town's Golden Age program, who the Town believes to be responsible for the loss, has repaid the Town a small sum of money towards the mishandled funds leaving a balance of approximately \$110,000. The Town maintains insurance against such losses and reported this matter to its insurance carrier. The Town's insurance carrier recently notified the Town that it will provide coverage for the entire loss less a modest deductible upon receipt of an appropriate Release and Assignment agreement. The anticipated insurance proceeds will be in the amount of \$109,421.22. The Town Board has implemented certain financial management protocols to address this type of risk and is committed to ensuring that such events do not occur anywhere in Town government.

The District Attorney's Office remains actively engaged on this matter, and consequently, the Town will refrain from further comment at this time to avoid prejudicing any potential criminal prosecution.

At this time, a motion is in order to authorize the Town Supervisor to sign the required release forms to obtain these insurance proceeds.

NOW THEREFORE, BE IT HEREBY RESOLVED, the Town Board hereby authorizes the Town Supervisor to sign the necessary Release and Assignment forms required by the Town's insurer as a condition of receipt of the insurance benefits in relation to the theft of funds from the Town's Golden Age Center programs;

AND BE IT FURTHER RESOLVED, that upon receipt of the insurance proceeds referenced above, the Town Accountant will separately account for such funds to facilitate their application towards funding future programs of the Town's Golden Age Center in a manner to be determined by the Town Board.