

**Board of Trustees Meeting Minutes  
October 23, 2009**

The regular meeting of the Board of Trustees was called to order at 3:15 pm.

Present: Mayor Lamberson; Trustees: James Rouleau, Diana Rzepka, Charlie Fortuna and Dan Gleason

Also Present: Rena Flynn, Clerk Treasurer; Janine Fodor, Village Attorney; Lance Jobe, CEO

Lance informed the Board that the motor that drives the pump for the valve exerciser gear box had burned out. The motor broke while the Town of Allegany was using the equipment.

**RESOLUTION #2009-210**

**BILL TOWN OF ALLEGANY ONE HALF OF THE COST OF THE INVOICE FOR THE PUMP MOTOR FOR THE VALVE EXERCISER**

On motion made by Trustee Rouleau, second by Trustee Fortuna resolved to bill the town for ½ of the cost for the pump motor for the valve exerciser. Aye-all. Nay-none.

**DON LORENZO'S (JORGE DELARCO) AT 126-128 WEST MAIN ST.**

- Zephyr Smith, alleged Power of Attorney for Jorge DeLarco was in the office last week expressing that there are parties interested in the above mentioned property.
- Zephyr would like access to building to be able to show potential customers.
- Rena states that DeLarco owes the village \$19,812.20 as of today. Of that amount, \$18,791.00 would be sent to the county for inclusion on the county tax bill, the remaining \$1021.20 would be outstanding to the village.
- Rena would like to get permission to put a lien on the property for the money that is owed the village.
- Rena states that she talked to Joe Keller of the Cattaraugus County Treasurers' Office and the county will make the village whole on the taxes about 3/31/10. (\$18,791.00)
- Janine stated that liens could be placed only on real property, not contents.
- Board is reluctant to let people in the building, there is a walk-in cooler in the building that could be removed.
- Village could sue to get a judgment for a lien, but is not worth doing at this juncture.
- Janine will contact DeLarco's Attorney Pat Brown to obtain Zephyr Smith's Power of Attorney.

**COMPUTER FRAUD-FIVE STAR BANK**

- There is still confusion about the transaction of the fraudulent activity.
- Language of ACH contract is hard to understand, with deceptive language.
- Burden to the village is a liability of security breach with the Five Star Bank.

- Five Star Security tech found 1 Trojan virus from 7/7/09, he indicated a remote user using computer software can watch the user type the keystrokes and hack into the system in that manner.
- When Janine first called the bank, Security Director claimed they had contacted FBI, who indicated it was too small to investigate.
- Board would like Dominic to contact FBI, Buffalo
- Publicity is free if the board feels a need to contact the media
- Five Star offered to send senior people here to speak with the Board.
- Board agreed that Janine would compose a letter and ask the reps from Five Star to respond to scheduling a meeting with Steve Foster (area business manager), Paul Gayton (IT) and their respective supervisors.
- What makes Five Star certain the security breach happened with village computers and not their computers? Janine would like verification of other customers with similar instances, proof that it was village's fault, # times this has happened in the past, etc.
- Did Five Star use our password/accounts during set up of direct deposit payroll (which never was initiated)?
- Village will ask for entire refund of \$9000.00.
- Fraud was allegedly created by electronic banking, use of their product.
- Village should perform a weekly virus scan
- Village will possibly terminate contract with Five Star.
- Board members will come in Monday to sign letter that Janine will compose.

RESOLUTION #2009-211

ATTORNEY TO COMPOSE LETTER TO FIVE STAR BANK REQUESTING  
INFORMATION ABOUT SECURITY BREACH

On motion made by Trustee Fortuna, second by Trustee Rzepka resolved to have the attorney compose a letter to Five Star Bank asking them to meet with Board to discuss the security breach and to be ready and informed to answer questions about security breach which took place approximately 8/31/09. Aye-all. Nay-none.

RESOLUTION #2009-212

ADJOURN MEETING

On motion made by Trustee Rouleau, second by Trustee Fortuna resolved to adjourn meeting at 4:35 pm. Aye-all. Nay-none.

Respectfully submitted,

Rena Flynn  
Clerk Treasurer