

RESOLUTION NO. 26-XX

A RESOLUTION DISCLOSING AN UNAUTHORIZED DISBURSEMENT OF THREE HUNDRED AND FIFTY THOUSAND DOLLARS (\$350,000.00) AND DIRECTIVE TO PROMPTLY IMPLEMENT CORRECTIVE ACTIONS DESIGNED TO ENHANCE AND INCREASE INTERNAL CONTROLS AND SECURITY MEASURES WITHIN THE FINANCE DEPARTMENT.

WHEREAS, as of August 31, 2026, the City of Roswell has suffered the loss of \$350,000 due to a successful fraudulent withdrawal from the City's banking accounts; and

WHEREAS, the City of Roswell has promptly reported this loss to local, state, and federal law enforcement authorities for investigation and possible recovery of lost monies; and

WHEREAS, while the investigation continues to be ongoing, and there appears at this preliminary stage no implication of criminal wrongdoing on the part of City personnel, the City of Roswell Finance Committee desires to publish this loss with full transparency and direct corrective action be implemented within the Finance Department for the purpose of ensuring such losses cannot recur.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO the City of Roswell acknowledges its obligation to report the unauthorized loss of public monies and hereby formally directs the Finance Department and the Office of the City Treasurer to immediately coordinate with the City's External Auditors and City's Internal Auditor to develop and approve a comprehensive Banking Verification and Suspected Fraud Response Protocol and timely and formally train all affected employees in the adopted protocol, including the Immediate Incident Checklist and Institutional Escalations Contacts and Procedures.

PASSED, ADOPTED, SIGNED, and APPROVED September 10, 2026

CITY SEAL

ATTEST

Timothy Z. Jennings, Mayor

Amalia Martinez, City Clerk