

**Resolution No. 2009-35**

**WHEREAS**, the City of Wayne, Nebraska is a utility provider and also makes housing and economic development loans; and

**WHEREAS**, Public Law 108-159 went into effect on December 4, 2003 and amends the Fair Credit Reporting Act; and

**WHEREAS**, such amendment, known as the FACT Act, requires creditors, including utility companies and lenders, to comply with the Act no later than May, 2009; and

**WHEREAS**, City is, as defined under 15 U.S.C. § 1681a(r)(5), a creditor that maintains and offers accounts for which there is a reasonably foreseeable risk of identity theft; and

**WHEREAS**, compliance with the Act requires a creditor to create and implement a written Identity Theft Prevention Program.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Wayne, Nebraska, that the City hereby adopts the "City of Wayne, Nebraska Identity Theft Prevention Program," which is attached to this Resolution.

**BE IT FURTHER RESOLVED**, that said Program is appropriate to the size and complexity and the scope of City's activities; and that the Program is reasonably calculated to identify and detect relevant Red Flags indicating a potential risk of identity theft, and includes appropriate responses to such Red Flags that will help mitigate and prevent identity theft.

**BE IT FURTHER RESOLVED**, City staff shall report annually to the City Council on City's compliance with 16 CFR §681.2 as required by the Act.

**BE IT FURTHER RESOLVED**, that city staff will review the Program from time to time in order to recommend changes to the Program to reflect changes in risks to City customers.

**PASSED AND APPROVED** this 5<sup>th</sup> day of May, 2009.

THE CITY OF WAYNE, NEBRASKA

By \_\_\_\_\_

Mayor

**ATTEST:**

\_\_\_\_\_

**City Clerk**

**Approved as to form and content:**

---

City Attorney

# CITY OF WAYNE, NEBRASKA

## Identity Theft Prevention Program

Implemented as of May, 2009

The City of Wayne, Nebraska developed this Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's ("FTC") Red Flag Rule, which implements Section 114 of the Fair and Accurate Credit Transaction Act of 2003 (16 CF.R. § 681.2). This Program is designed to detect, prevent and mitigate Identity Theft in connection with the opening and maintenance of certain utility and other credit accounts. For purposes of this Program, "Identity Theft" is considered to be "fraud committed using the identifying information of another person." The accounts addressed by the Program, (the "Accounts"), are defined as:

1. An account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from Identity Theft.

This program was developed with oversight and approval of the City Council. After consideration of the size and complexity of the City's operations and Account systems, and the nature and scope of the City's activities, the City Council determined that this Program was appropriate for the City of Wayne, and therefore approved this Program on May 5, 2009.

## **II. IDENTIFICATION OF RED FLAGS.**

A "Red Flag" is a pattern, practice, or specific activity that indicates the possible existence of Identity Theft. In order to identify relevant Red Flags, the City considered the types of Accounts that it offers and maintains, the methods it provides to open its Accounts, the methods it provides to access its Accounts, and its previous experiences with Identity Theft. The City identifies the following Red Flags:

- A. Mail sent to a customer is repeatedly returned.
- B. A customer notifies the City that they are not receiving their bill.
- C. The City is notified of unauthorized charges to a customer's bank account in the City's name.

- D. The City is notified by law enforcement or others, that it has opened a fraudulent account for a person engaged in identity theft.
- E. In the case of a real estate loan, customer information does not match information on title search.

The City will detect red flags identified above by:

- A. Monitoring returned mail.
- B. Following up with customers notifying the City they are not receiving their bill.
- C. Following up on notification of unauthorized debits in the City's name to a customer's bank account.
- D. Following up with law enforcement or other officials regarding fraudulent accounts.
- E. Verifying that information contained in a title search is consistent with information provided by the customer.

### **III. PREVENTING AND MITIGATING IDENTITY THEFT.**

In the event City personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

- A. Follow up with the customer if his bill is repeatedly returned.
- B. Verify the bill is being sent to the correct address.
- C. Follow up with the bank on why customer's account is being debited in the City's name and notify law enforcement if appropriate.
- D. Close the account and cooperate with law enforcement or other officials.
- E. Follow up with the customer on discrepancies between information in the title search and information provided by the customer.