



TOWN OF LEDYARD
CONNECTICUT
TOWN COUNCIL

741 Colonel Ledyard Highway
Ledyard, CT 06339
(860) 464-3228
(860) 464-1485 Fax
treasurer@Ledyardct.org

Chairman Terry Jones

August 22, 2011

Citizens Bank
Attn: Patrick J. Murphy
237 Main Street
Middletown, CT 06457

Dear Mr. Murphy:

Upon updating the passbook for audit purposes account #2251-106358 in the name of MJ Holding, LLC AND the Town of Ledyard, I discovered there was a zero balance in this account. This account was opened on March 12, 2001 for the purpose of a surety bond for the Town of Ledyard and should have held a balance of \$15,000., which was the amount of the bond last stipulated by the Town of Ledyard Planning Commission.

As Treasurer I held the passbook along with a signed withdrawal slip by Debra Schlachter who was the other signor as well as myself as Treasurer for the Town. It has always been the Town's understanding an account set up in this manner is a safeguard to the Town that the funds cannot be withdrawn unless there are two signatures on the withdrawal, accompanied by the passbook.

On December 31, 2010 there was a \$15,081.18 withdrawal without the Town's knowledge. Citizen's Bank turned over the Town of Ledyard's funds held as a surety bond to the Plaintiff in a stipulation settlement.

As Treasurer I question: (1) What was the legal basis of the withdrawal of funds without the Town's knowledge? and (2) Citizen's Bank intention to restore the Town of Ledyard funds held as a surety bond.

I trust Citizen's to remediate this situation in a timely manner. Should you have any questions, feel free to contact me.

Sincerely,

Nancy R. Gosselin,
Town Treasurer

CC: C.Karno, Town Planner