

Department of Justice

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Lancaster Highway Superintendent Pleads Guilty

BUFFALO, N.Y.--Richard Reese, 57, of Lancaster, New York, pleaded guilty today in U.S. District Court to a felony charge of making a false statement to FBI Agents, United States Attorney Kathleen M. Mehlretter announced.

Assistant U.S. Attorney Paul J. Campana said Reese, who is the Town of Lancaster Highway Superintendent, admitted to making a false statement to two FBI Agents on April 1, 2009 when the Agents interviewed him as part of an FBI investigation into the diversion of public funds for personal use. In the plea agreement presented to Chief U.S. District Judge Richard J. Arcara today, Reese admitted to diverting Town funds for his personal use and making a false statement to the Agents regarding the purchase of a 36" x 20' section of storm run-off pipe. Reese told the Agents in April that he had bought the pipe in 2007 from a vendor that had since gone out of business, but in fact the pipe was bought, with Town of Lancaster funds, from a company that still is in business. Reese also admitted in today's plea agreement that, while serving as highway superintendent, he sold scrap metal belonging to the Town and did not keep receipts or return the money received from the sales back to the Town. Reese admitted that these diversions of cash amounted to at least \$2,900. The thefts included a deposit of \$1,000 of Town funds in 2007 into Reese's personal account at a credit union, and the use of \$400 of Town funds in late March of this year to make a loan payment for a family member. As part of today's plea agreement, Reese agreed to pay the money back to the Town.

Reese was charged in a complaint last April for assaulting the two FBI Agents who had just finished interviewing him. On that occasion, Mr. Reese indicated to the Agents that he was going to harm himself. Reese was charged with refusing to obey the Agents' request to stop as he was leaving their presence, and physically resisting the Agents' efforts to stop him in an effort to prevent possible harm to himself or to the Agents. The assault charges will be dismissed

when Reese is sentenced for today's conviction. Chief Judge Arcara scheduled sentencing for January 21, 2010.

The guilty plea was the result of an investigation by the Federal Bureau of Investigation, under the direction of Special Agent In-Charge James H. Robertson.