

RESOLUTION NO. 2008-1

**A RESOLUTION ADOPTING A RED FLAG POLICY AND ESTABLISHING AN  
IDENTITY THEFT PREVENTION PROGRAM FOR THE TOWN OF STRATTON,  
COLORADO**

**WHEREAS**, pursuant to federal law the Federal Trade Commission (the "FTC") adopted Identity Theft Rules requiring the creation of certain policies relating to the use of consumer reports, address discrepancy and the detection, prevention and mitigation of identity theft;

**WHEREAS**, the FTC regulations, adopted as 16 CFR § 681.2, require creditors, as defined by 15 U.S.C. § 1681a(r)(5), to adopt red flag policies to prevent and mitigate identity theft with respect to covered accounts;

**WHEREAS**, 15 U.S.C. § 1681a(r)(5) cites 15 U.S.C. § 1691a, which defines a creditor as a person that extends, renews or continues credit, and defines 'credit' in part as the right to purchase property or services and defer payment therefore;

**WHEREAS**, the FTC regulations include utility companies in the definition of creditor;

**WHEREAS**, the Town of Stratton (the "Town") is a creditor with respect to 16 CFR § 681.2 by virtue of providing utility services or by otherwise accepting payment for municipal services in arrears;

**WHEREAS**, the FTC regulations define 'covered account' in part as an account that a creditor provides for personal, family or household purposes that is designed to allow multiple payments or transactions and specifies that a utility account is a covered account;

**WHEREAS**, the FTC regulations require each creditor to adopt an Identity Theft Prevention Program which will use red flags to detect, prevent and mitigate identity theft related to information used in covered accounts;

**WHEREAS**, the Town provides water, sewer and refuse collection services for which payment is made after the product is consumed or the service has otherwise been provided which by virtue of being utility accounts are covered accounts;

**WHEREAS**, customer accounts for development review and other services for which payment is made after the product is consumed or the service has otherwise been provided are covered accounts by virtue of being for household purposes and allowing for multiple payments or transactions;

**WHEREAS**, the FTC regulations, adopted as 16 CFR 681.1, require users of consumer credit reports to develop policies and procedures relating to address discrepancies between information provided by a consumer and information provided by a consumer credit company;

**WHEREAS**, the duly elected governing authority of the Town of Stratton is the Mayor and Board of Trustees thereof.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF STRATTON, COLORADO:**

Section 1. The Red Flag Policy attached as Exhibit A is hereby adopted and approved.

Section 2. This Resolution shall be in full force and effect upon its passage and adoption.

INTRODUCED, PASSED, APPROVED AND ADOPTED THIS 23rd DAY OF October, 2008.



  
Dana Siekman Mayor

  
Paula McConnell, Town Clerk