Warren County Sheriff's Office

Press Release

Incident Number…..: 2025-25920

Type of Incident …..: Financial Fraud - Larceny

Date of Incident ……..: December 23, 2025

Overview ……..:

On Tuesday December 23, 2025, at approximately 5:00 p.m., Sheriff Jim LaFarr received a call from the Chairman of the Warren County Board of Supervisors, Kevin Geraghty, reporting Warren County was likely the victim of financial fraud. Following this report a team of Sheriff's Office Investigators was sent to the Warren County Treasurer's Office to commence an investigation.

Over the course of several months Sheriff's Investigators, working in conjunction with New York State Police Criminal Investigators and Financial Crimes Investigators, United States Secret Service Agents, the Federal Bureau of Investigations, and members from various other law enforcement agencies, determined that a person alleging to be a representative of Peckham Road Corp contacted the Warren County Treasurer's Office and requested to establish an ACH (automated clearing house) electronic payment vendor account. The account was subsequently established and two electronic ACH payments, totaling approximately 3.3 million dollars, were transmitted to what was later determined to be a fraudulent account.

Between November 10, 2025 and December 8, 2025 a male sounding subject, with a thick foreign accent, placed telephone calls to multiple Warren County Departments on 16 separate occasions. Of the 16 calls, 10 were answered, and 9 of the 10 completed calls were in the Warren County Treasurer's Office. The time frame of the 9 completed calls range from less than 1 minute to approximately 8 minutes in duration.

On November 12, 2025 a male sounding subject, with a thick foreign accent, spoke with an employee of the Warren County Treasurer's Office. During the conversation, pertinent financial and business information regarding accounts with Peckham Industries was disclosed to the caller. The release of such information was determined to likely be a contributing factor of the crime.

On November 13, 2025 an employee of the Warren County Treasurer's Office received a phone call from a male sounding subject with a thick foreign accent. The subject identified himself as a representative from Peckham Road Corp. During this conversation the subject utilized the pertinent information that was obtained from previous conversations with the Treasurer's Office employee. The subject inquired about procedures to change payment methods from paper checks to ACH (automated clearing house) electronic payments. The subject was given instructions on the procedures to establish an ACH account and directed to submit the request to change payment methods through the publicly accessible Warren County website.

Following the telephone call the Warren County Treasurer's Office received an online ACH Authorization Form that listed a company named Peckham Road Corp, a contact name of Rafael Diaz, and a contact phone number of (347) 272-9617. The form requested ACH payments be made to a Discover Bank account. The investigation revealed that the Treasurer's Office was the only County Department that received the ACH Authorization Forms and no member of the Treasurer's Office ever contacted Peckham Industries, or the Warren County Department of Public Works (DPW), to verify the request to modify payment methods or the banking information submitted on the ACH Authorization Form before establishing the new account.

On December 12, 2025 an ACH electronic payment was issued to the Discover Bank Account listed on the ACH Authorization Form in the amount of $2,132,480.23 as payment for a legitimate Peckham Industries invoice. These funds were drawn from a local Arrow Bank Account used by Warren County.

During this time period Warren County had a one million dollar pre-approved maximum transaction limit. Because this transaction exceeded the threshold an Arrow Bank representative contacted the Warren County Deputy Treasurer to review the transaction. The Deputy Treasurer confirmed and approved the transaction.

The transaction was also flagged by the Arrow Bank fraud monitoring system. The alert triggered a second call from an Arrow Bank representative. The call from Arrow Bank was received by the Warren County Deputy Treasurer and the transaction was confirmed and approved. Following the call the $2,132,480.23 ACH transaction was completed.

On December 23, 2025 a second ACH payment was issued to this same Discover Bank account in the amount of $1,225,954.65 as payment for a Peckham Industries invoice. These funds were drawn off the same local Arrow Bank account used by Warren County. Because this transaction also exceeded the one million dollar pre-approved transaction threshold an Arrow Bank representative contacted the Warren County Deputy Treasurer to review the transaction. The Deputy Treasurer confirmed and approved the transaction.

The second transaction was also flagged by the Arrow Bank monitoring system. The alert triggered a call from an Arrow Bank representative. The call from Arrow Bank was received by the Warren County Deputy Treasurer and the transaction was confirmed and approved. Following the call the $1,225,954.65 ACH transaction was completed.

The investigation revealed that the Deputy Treasurer's approvals of both transactions were made without taking any steps to verify the validity of the recently created Peckham Road Corp ACH account or either transaction. Through interviews with Treasurer's Office employees, Investigators learned that the Treasurer's Office did not have any policies or procedures in place to guide employees through ACH account setup, the ACH payment process, or to provide safeguards to Warren County.

Additionally, it was learned that the Treasurer did not provide training to Treasurer's Office employees on proper ACH transaction procedures. In a communication with the Treasurer, the Deputy Treasurer acknowledged she should have validated the recently established

Peckham Road Corp ACH account. In a deposition the Deputy Treasurer stated she was not aware that ACH Authorization Forms generated on the County website can only be viewed by the Treasurer's Office. She further stated that she was never instructed to validate the accuracy of the financial information provided on an ACH Authorization Form. In a communication between the Treasurer and Deputy Treasurer, after the County was a victim of significant financial fraud, the Treasurer directed members of her staff to create draft ACH transaction procedures to provide to the County Attorney for review.

Several Treasurer's Office employees stated to Investigators during interviews that the Treasurer was pushing her staff to start processing payments via ACH transactions. The written depositions of Treasurer's Office employees revealed some had concerns with the implementation of ACH payments. Against recommendations from Treasurer's Office employees, and without formal procedures or employee training, the Treasurer directed her staff to start processing ACH payments.

The investigation also revealed that a County Treasurer in New York State lacks the legal authority under New York State General Municipal Law to enter into a written agreement with a banking institution to complete electronic ACH/wire transactions. The law requires the governing board of the local government, in Warren County the Board of Supervisors, enter into a written agreement that; prescribes the manner in which electronic ACH/wire transfers shall be accomplished, identifies by number and name those accounts from which electronic or wire transfers may be made, identifies which officer or officers are authorized to order the electronic or ACH/wire transfer of funds from those accounts, and must implement security procedures.

During a County meeting on October 23, 2025 the Treasurer was advised by the County Attorney's Office that she lacked the legal authority to enter into electronic ACH/wire transaction agreements without prior authorization from the County Board of Supervisors. She was advised that electronic ACH/wire payments should not be processed until all legal requirements were fulfilled. The Treasurer continued to complete electronic ACH payments against County's legal advice and guidance. And it was not until December 19, 2025 that the Warren County Board of Supervisors officially adopted the Warren County Wire Transfers and E-Banking Policy by Resolution No. 515 of 2025. This was a week after the first fraudulent transaction was completed on December 12, 2025.

On December 23, 2025 Peckham Industries contacted Warren County DPW to inquire about payments they had not received for invoices submitted on December 12, 2025 and December 23, 2025. Warren County DPW contacted the Warren County Treasurer's Office to determine the status of the invoices and were advised both had been paid. Warren County DPW informed Peckham Industries that both invoices had been paid via ACH payments at the request of their representative Rafael Diaz. Peckham Industries informed the Treasurer's Office that they never submitted a request to establish an electronic ACH account and they do not have an employee by the name of Rafael Diaz. Further, it was learned Peckham Industries would never submit a request to receive ACH payments. Based upon this information the Warren County Deputy Treasurer realized the County was likely the victim of a financial crime. Because the $1,225,954.65 transaction was still pending, Arrow Bank was able to freeze the transaction prior to the disbursement of funds. These funds were subsequently returned to Warren County.

Investigators later learned of an email sent by Peckham Industries on July 21, 2025 to their business partners that contained a fraud alert detailing an email phishing attempt by fraudsters to deceive a customer and redirect payments. The Peckham Industries email was sent to various municipalities, including Warren County. It was sent to three employees in Warren County, one of whom had retired in 2024. There is no evidence the email was ever opened by the other two employees at the time it was received. Investigators verified that Peckham Industries systems were never compromised. The email was sent as a courtesy to their customers.

Following a lengthy joint criminal investigation Investigators determined the $2,132,480.23 electronic ACH payment sent from Arrow Bank to Discover Bank on December 12, 2025 was received by a seventy year old woman, Patricia R. Laster, in Baldwin County Georgia. Laster was interviewed by Detectives in the Baldwin County Sheriff's Office and confessed to her role in the crimes. Laster served an accomplice, essentially a courier, working with an unknown subject, likely the subject who identified himself to County employees as Rafael Diaz. To date Investigators have not been able to identify the Diaz subject.

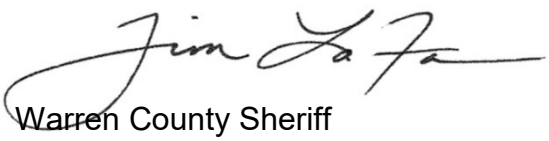
Following the interview of Patricia Laster the Baldwin County Sheriff's Office Detectives worked with a Secret Service Agent in their district, Assistant District Attorneys in the Ocmulgee Judicial District Circuit, and an Assistant United States Attorney to investigate the larceny and make determinations regarding criminal charges. Sheriff LaFarr requested that Patricia Laster be charged, either locally for federally, for all offenses committed in their jurisdiction.

Investigators, working in conjunction with United States Secret Service Agents, worked diligently for several months to locate and recover the $2,132,480.23 stolen from Warren County. To date multiple bank accounts have been identified and all but $48,873.65 has been located. Thus far, $872,823.84 has been returned to the Warren County Treasurer. The remaining $1,259,656.39 has been identified, but due to the time lapse between the date of the first offense and report to law enforcement it is unlikely that the funds will be returned to Warren County.

In August 2026 an Assistant District Attorney from the Ocmulgee Judicial District Circuit advised the Warren County District Attorney's Office that they would not be prosecuting Patricia Laster for the crimes committed in their jurisdiction. The United States Attorney's Office for the Middle District of Georgia also declined to prosecute Laster. Because all of the offenses allegedly perpetrated by Patricia Laster were committed in Georgia the Warren County District Attorney's Office lacks jurisdiction to prosecute.

Investigators will continue to investigate any and all leads that may assist in identifying the suspect known as Rafael Diaz. Absent any new information the Warren County Sheriff's Office investigation into the County financial fraud and theft of funds is closed.

Jim LaFarr



Warren County Sheriff