

# NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER



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For release: Immediately

## Comptroller's Third Quarter 2020 Financial Report Shows Reduced County Expenditures Mitigate Pandemic Revenue Losses

Kingston, NY (December 22, 2020) – Ulster County Comptroller March Gallagher releases the 2020 Third Quarter Financial Report.

The County recognized \$212.4 million, or 61.9%, of budgeted revenues by the close of the third quarter, the same percentage as 2019, but \$8.4 million more with the increased 2020 budget. Sales tax revenue declined \$5.8 million from 2019. Occupancy Tax collected was only 46% of total budgeted revenue, a sharp decline from 2019.

Ulster County expended \$191.1 million or 55.7% compared to 61.9% of budgeted expenses in 2019. The 2020 percentage reduction is a combination of \$12.6 million less in actual expenditures and a \$13.6 million higher budgetary appropriations. Reductions in expenditures were in the areas of miscellaneous contractual as well as capital and equipment outlay.

The national economy has rebounded from the precipitous decline in the first and second quarters with an "advance estimate" of GDP growth of 33.1% in the third quarter over the prior quarter. Unemployment during the third quarter of 2020 dropped from a pandemic high of 14.6% to 5.8% at the close of October, more than the October 2019 unemployment rate of 3.5%. While Ulster County initially rebounded in job growth better than the national labor force, the County exhibits a similar stall to the moderation in job growth. Ulster County had a decline in jobs between September and October of 2020.

"Our third quarter financial analysis showed that Ulster County reduced spending by more than 6% to address COVID revenue shortfalls," noted Comptroller March Gallagher. "Reductions in Occupancy and Sales Tax demonstrate that economic contraction in the hospitality and retail sectors is costing the families of Ulster County their jobs. Ulster County taxpayers cannot afford any unnecessary spending at this time. I applaud the Administration and Legislature for cutting expenditures in 2020 and I urge similar spending restraint as we approach 2021."

Quarterly financial reports are mandated under §C-57(I) of the Ulster County Charter which requires the Comptroller's Office to report quarterly on the financial condition of the County.

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Report Attached