

NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

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Comptroller's Audit Triggers \$70 Million Cash Reallocation Expected to Create \$68,000 in Additional Revenue for the Remainder of the Year

Kingston, NY (April 4, 2022)- An audit of Ulster County's Investment Policy released last week by Ulster County Comptroller March Gallagher's office identified the need to analyze alternative investment opportunities to maximize interest revenues. At the end of March, Ulster County's Bank of Greene County deposit account had a balance of \$165 million at a 0.12% interest rate.

Based on those findings, today the County transferred \$70 million from the deposit account to a checking plus money market account with a 0.25% interest rate. This reallocation of cash is expected to yield a possible **additional \$68,000** in interest revenues for the remainder of the year.

"While this is an improved investment strategy, we should continuously analyze investment opportunities, monitor available rates, and investigate the ability to pay off higher interest debt to optimize the use of available cash," said Comptroller March Gallagher. "There remain other safe, liquid, diverse investment opportunities open to municipalities like Ulster County that would yield even more."

The Comptroller's Office also noted that going forward, the differential between interest bearing checking rates and other liquid investments will become much larger given the interest rate trajectory. Gallagher is recommending the County undertake a more dynamic review and investment strategy to maximize passive revenue.

The full report is available at <https://comptroller.ulstercountyny.gov/audit-reports/ulster-county-investment-policy-compliance-audit>

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