

# NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

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## **ULSTER COUNTY COMPTROLLER MARCH GALLAGHER SUED BY THE ULSTER COUNTY RESOURCE RECOVERY AGENCY TO AVOID AUDIT**

(June 22, 2021 – Kingston, NY) In order to avoid an audit of its public taxpayer funded composting operation and meet its contractual obligations, the UCRRA has sued the Ulster County Comptroller’s Office over a request of UCRRA to provide information that should be available to the public.

“My office has received multiple complaints dating back years regarding compost availability and sales limited to related parties,” said Ulster County Comptroller March Gallagher. “UCRRA signed a contract giving Ulster County express audit authority over the funds spent on the composting program, just like hundreds of other contractors and vendors do every year. I will not cede the County Comptroller’s authority to audit the \$180 million in contractual services funded by Ulster County taxpayers every year. The UCRRA has given my office no choice but to meet this challenge legally.”

In 2017, Ulster County contracted with UCRRA, providing \$237,000 in state grant money to purchase equipment and supplies for the composting operation. Multiple whistleblower and customer complaints received by the Comptroller indicate the benefits of that program accrue not to the public, but rather primarily to a single employee of UCRRA. In addition to failing to provide journal entries, scale logs, and customer lists, UCRRA refuses to demonstrate written policies and procedures that govern self-dealing, nepotism, customer limits for in-demand products, and market-aligned product pricing.

By their own admission the Agency charges a fraction of the market price for compost instead of pricing material to maximize profits to offset the fees charged to Ulster County residents and businesses for waste disposal. In addition to its role as a customer of UCRRA, Ulster County remains financially responsible for any deficit incurred by UCRRA through a “net service fee.” In 2012, Ulster County paid UCRRA a \$2.4 million net service fee to cover the annual operating deficit incurred.

UCRRA’s erroneous position that the County Comptroller lacks audit authority over 54% of the Ulster County budget must now be plead at taxpayers’ expense in court. The Comptroller stands firm that the Ulster County Charter and the contracts executed by Ulster County provide protection for Ulster County taxpayers. The issues raised regarding the UCRRA and its operations clearly justify an audit of UCRRA and its policies and procedures.

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