



# ULSTER COUNTY NEWS

ULSTER COUNTY NEWS INFORMATION  
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**FOR IMMEDIATE RELEASE**

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## **Ulster County Acts To Stabilize Finances**

### **Budget Cuts, Mortgage And Hotel/Motel Tax Part Of A Plan To Protect Property Tax Payers**

The Ulster County Legislature has received multiple reports from the Treasurer's Office and Administrator's Office detailing concerns of an impending financial crisis. Without prompt action, this crisis could result in a substantial increase in 2007 property taxes. Following the recommendation of Ulster County Legislature's Majority Leader Jeanette Provenzano, Chairman David B. Donaldson formed a bipartisan Budget Gap Committee to address this situation. "We're fully committed to doing everything in our power to protect the property taxpayers of Ulster County," said Chairman Donaldson.

#### **The recommendations of the Budget Gap Committee were as follows:**

- A commitment by the County Administrator to cut an additional \$1 million from 2006 funding levels in the 2007 Budget through:
  - Department Consolidations
  - The red lining of vacant positions
  - Department Efficiencies
- A ¼ % Mortgage tax (estimated revenue \$3.5 million)
  - A one time expense was deemed preferable to a large compounding property tax increase.
- A 2% increase in the current Hotel/Motel Tax (estimated additional revenue \$1 million)
  - This tax, paid predominantly by non-Ulster County residents, was much preferred to compounding property tax increases.

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These recommendations will combine with the Ulster County Legislature's previous \$1.2 million in cuts and the cost avoidance of the new contract management system to help further streamline County government. The cost cutting, cost avoidance and alternate revenue sources are part of a comprehensive plan to protect County property taxpayers.

Majority Leader Provenzano said, "I'm proud of the hard work the bipartisan Budget Gap Committee did. They worked together and delivered results."

In a bipartisan vote both revenue enhancements passed the Ulster County Legislature on 8/9/06 and are awaiting State enabling legislation.