



CITY OF WESTMINSTER

56 West Main Street
Westminster, MD 21157
Phone 410-848-9000
Fax 410-857-7476

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Contact: Marge Wolf
Phone: 410-848-9000

CITY OF WESTMINSTER BUDGET AMENDMENT

Westminster, MD – “We have no choice but to reduce our current FY2010 budget,” Mayor Kevin R. Utz explained as he presented an amendment to the City of Westminster budget that cut over \$800,000 in projected state revenues. “The State of Maryland reduced the Highway User Revenues from \$747,580 to \$74,758 and Police Aid from a budgeted \$400,000 to \$254,826.”

Among the cuts approved by the Common Council were cancellations of the paving contract, technology purchases and a police vehicle which totaled \$267,950 in capital expenditures; diversion of the \$100,000 contingency reserve to operating accounts; conversion of \$215,000 of Union Street property proceeds to operating accounts; reduction of departmental operating budgets by \$155,086; revision of the take home vehicle policy to institute a partial employee payback of costs by \$15,768; and captured \$65,000 in savings from reduced tipping fees.

“These amendments, totaling \$818,804 will balance our budget through June 30, 2010, unless there are additional cuts passed by the State,” continued Mayor Utz, “The real crisis will come when we lose the remaining \$329,676 in these state revenues which may come as early as January and certainly by July 1, 2010.”

Dr. Robert Wack, Chairman of the Finance Committee, recapped the number of adjustments made by the Common Council to balance the budget over the past several years. “These actions have included: Elimination of five positions, increase of employee contributions to health care benefits, revision of the Retiree Health Care Benefit program, elimination of merit increases for all staff, implementation of a health reimbursement agreement health care plan in lieu of the former preferred provider plan and rebate of the \$3.5M bond secured to undertake a major pavement milling and overlay program. With the current hiring freeze and the actions outlined by the Mayor, we have managed to avoid painful furloughs, staff layoffs or elimination of services as well as property tax increases. It may not be possible to avoid those discussions if future revenue reductions are imposed by the State or occur because of the current economic recession. We need to be developing contingency plans to respond to those changes as they occur.”

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The City of Westminster Administration Department is located at 56 West Main Street. This department oversees all of the departments in the General Government and is the central location for the City. For more information, call 410-848-9000 or visit www.westminstermd.gov.