

FY 2026 Budget Session #5

April 1, 2025



Topics for Tonight

- Session Introduction / Budget Assumptions
- Updated Cost Savings
- Updated Revenue Estimates
- Public Works Budget Details
- Public Safety Budget Details
- Next Steps

Introduction

The Town of Bladensburg is facing a budget shortfall this year and will continue through FY26.

<u>Reasons</u> <u>Loss of Revenue</u>s

- **ARPA**[•] unding expired no longer available to fund some items
- Speed Camera revenue shortfalls, which have resulted in more reliance on General Fund revenues

Reasons Growing Expenditures

- Most of the Town expenditures are related to personnel and services
- Expenses for services and staffing have grown since FY 21
- Expenses related to commodities have increased
- Insurance costs have also risen sharply over the same period of time.

Budget Assumptions

Saving Measures for FY26 Budget

- Afreeze on vacant positions until June 2026 (excluding essential positions)
- Limited to No COLA increases and Merit increases for staff
- Changes to work schedules and hours for Administrative Positions (Public Safety and Public Works excluded)
- Overall reductions to discretionary spending
- No new Capital Purchases
 - The Council could evaluate capital purchases mid-year (December 2025), if the budget situation improves, we can add these to the budget related to public safety.





Savings and Revenue

The Town of Bladensburg staff has developed a few scenarios that will do the following:

- Cut town expenditures on discretionary and non grant funded Capital projects.
- Increase the employee contributions to healthcare costs and take-home vehicles
- Freeze and decrease overall personnel spending
- Keep residential (Homeowners) taxes at the same rate (not changed in over 13 years)

Revenue Increases will occur by implementing the following:

- Raise Tax rates for Commercial and Industrial properties (last changed in over 13 years ago)
- Raise Tax rates for Apartment
- Increase Business License Fee (last changes in 2017)
- Changes to Utility and Personal Property taxes

Tax Rate Options

Currently Budgeted

Residential no change, Increase Commercial and Apartments to \$.82					
Property Assessments	Assessments	Rate	Amount		
Residential @ \$.74	286,858,732	0.74%	2,122,755		
Commercial @\$.82	138,941,533	0.82%	1,139,321		
Apartments @ \$.82	208,510,566	0.85%	1,772,340		
	634,310,831		5,034,415		

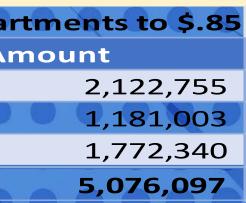
Option A			
Increase Commercial to	\$.80, and Apart	tments to \$.85
Property Assessments	Assessments	Rate	Α
Residential @ \$.74	286,858,732	0.74%	
Commercial @\$.80	138,941,533	0.80%	
Apartments @ \$.85	208,510,566	0.85%	
	634,310,831		0
600000			
Option B			
Residential no change, li	ncrease Commo	ercial and A	pa
Property Assessments	Assessments	Rate	Α
Residential @ \$.74	286,858,732	0.74%	
Commercial @\$.85	138,941,533	0.85%	
Apartments @ \$.85	208,510,566	0.85%	

634,310,831



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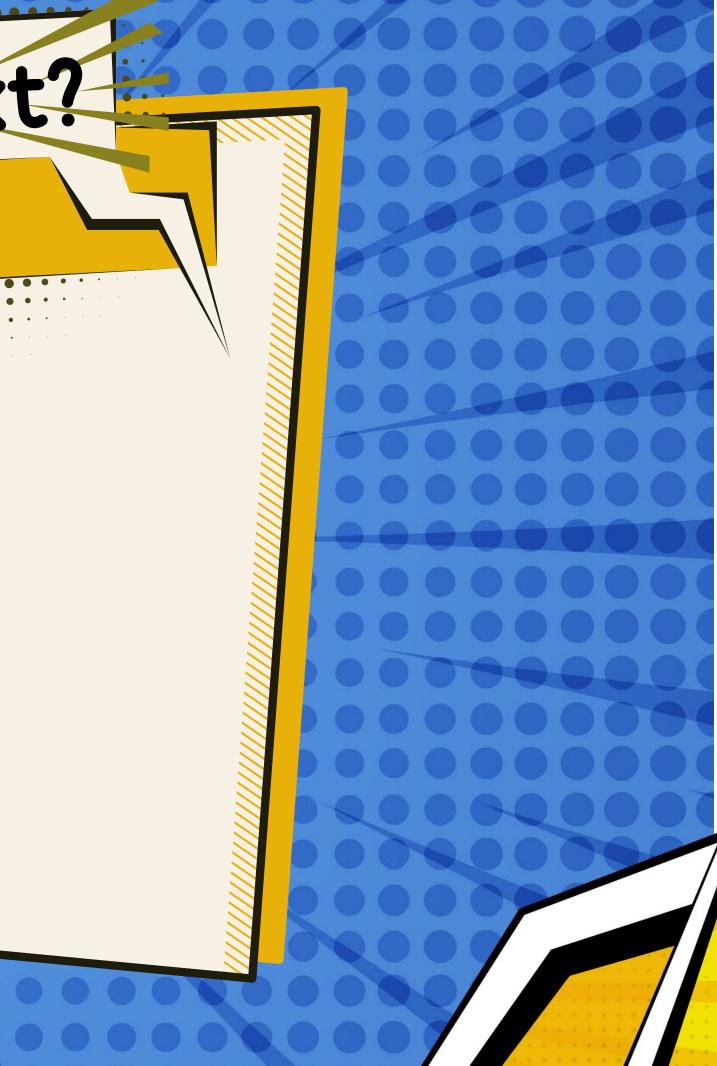
2,122,755 1,111,532 1,772,340 **5,006,627**

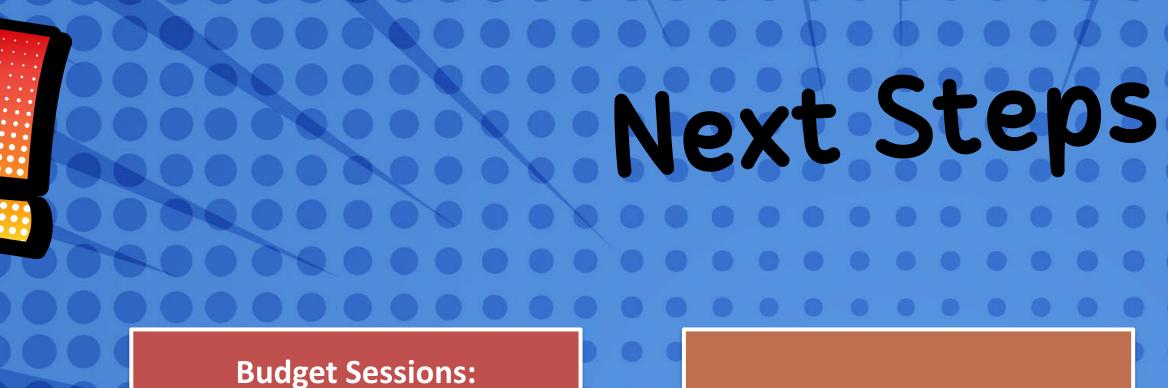




What to expect next?

- Finalization of Revenue options
- Updated Estimated Cost Saving
- Review of overall budget
- Tax Rate Hearing
- Budget Ordinance





Held throughout | March – May 2025

Next Session | April 14, 2025

Council Meeting Update April 14, 2025

Final Budget Session #5 Monday, April 29, 2025 (if needed)

Tax Rate Hearing May 12, 2025 Council Meeting



If there are changes to the **Real Estate Tax Rate:**

- Need at least one week to advertise for a hearing
- Any proposals have been included in meeting materials

Ordinance Approval Process

- Ordinance Budget Monday, May 12, 2025. Budget
- Adoption date, Monday, June 9, 2025.

Thank You !



