



FY 2026 Budget Session #7

April 29, 2025



Topics for Tonight

- Final Thoughts
- Tax Rate Options
- Next Steps



Final Thoughts

The Town of Bladensburg faced a budget shortfall this year, FY25, and will continue through FY26.

Reasons | Loss of Revenues:

- ARPA funding is no longer available to fund some items
- Traffic Enforcement revenue shortfalls, which have resulted in more reliance on General Fund revenues by Public Safety

Reasons | Growing Expenditures:

- Most of the Town's 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.



General Information

Saving Measures Implemented in the FY 2026 Budget

- A freeze 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 developed 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)
- No change to Residential Property Taxes – Remain at .74

Revenue Increases will occur by implementing the following:

- Raise Tax rates for Commercial and Industrial properties (last changed in over 13 years ago) from .74 to .80 per 100
- Raise tax rates for apartments, changing from .80 to .85 per 100
- Update Increase Business License Fee (last changes in 2017)
- Changes to Utility and Personal Property taxes
 - Utility Tax 2.75 to 3.25
 - Personal Property 2.09 to 2.50



Tax Rate Options



Currently Budgeted			
Residential no change, Increased Commercial to \$.82 and Apartments to \$.85			
Property Assessments	Assessments	Rate	Amount
Residential @ \$.74	286,843,732	0.74%	2,122,644
Commercial @ \$.82	138,941,533	0.82%	1,139,321
Apartments @ \$.85	208,510,566	0.85%	1,772,340
	634,295,831		5,034,304
Option A			
Residential no change, Decreased Commercial to \$.80, kept Apartments at \$.85			
Property Assessments	Assessments	Rate	Amount
Residential @ \$.74	286,843,732	0.74%	2,122,644
Commercial @ \$.80	138,941,533	0.80%	1,111,532
Apartments @ \$.85	208,510,566	0.85%	1,772,340
	634,295,831		5,006,516
Option B			
Residential no change, Increase <u>Both</u> Commercial and Apartments to \$.85			
Property Assessments	Assessments	Rate	Amount
Residential @ \$.74	286,843,732	0.74%	2,122,644
Commercial @ \$.85	138,941,533	0.85%	1,181,003
Apartments @ \$.85	208,510,566	0.85%	1,772,340
	634,295,831		5,075,986



Next Steps



Final Budget Session
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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

Tax Rate Hearing
May 12, 2025
Council Meeting

Ordinance Approval Process

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

Thank You !

