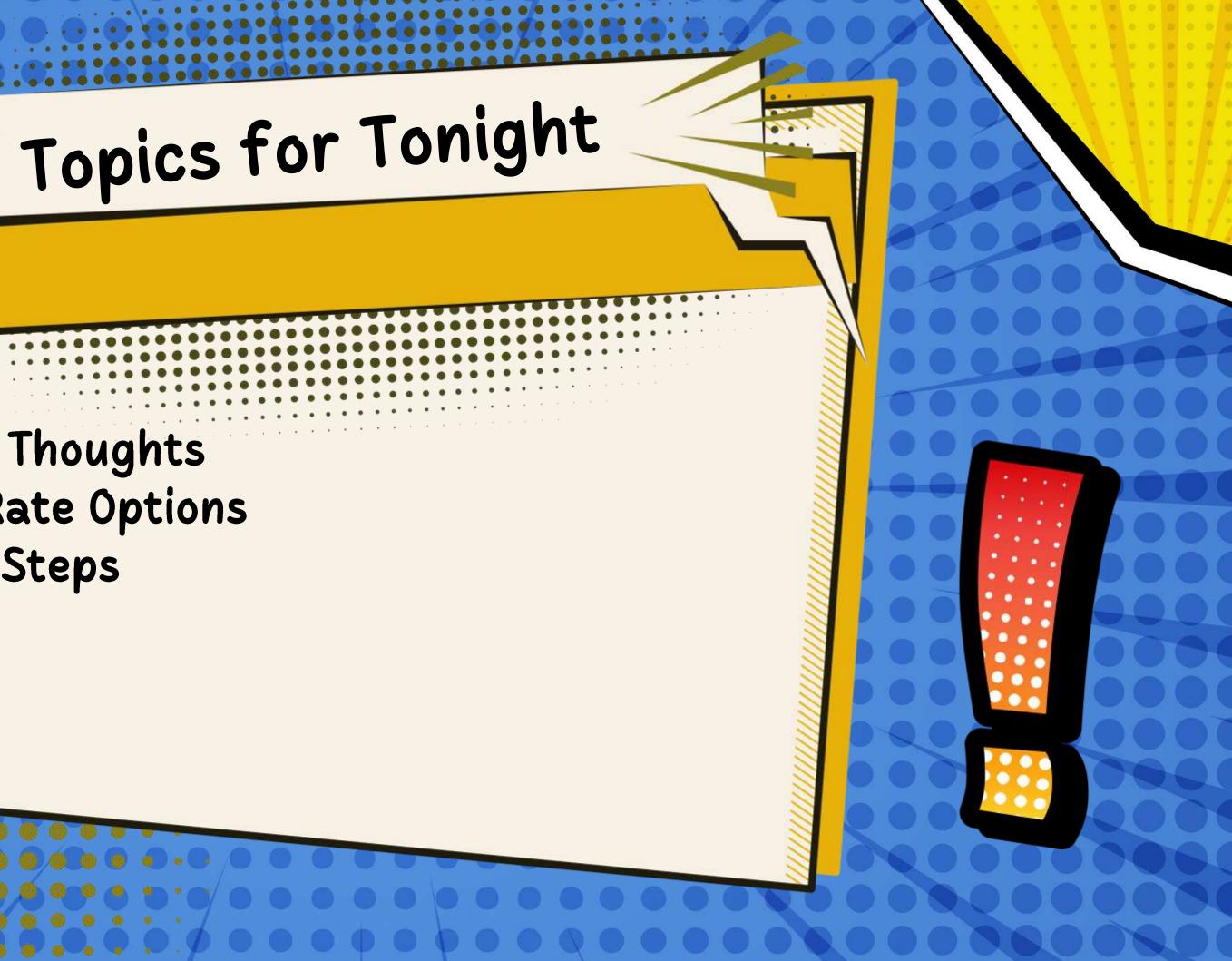


FY 2026 Budget Session #7

April 29, 2025





• 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.

<u>Reasons</u> | <u>Loss of Revenues</u>:

- 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 <u>Reasons | Growing Expenditures:</u>
- 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 <u>No</u> 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.

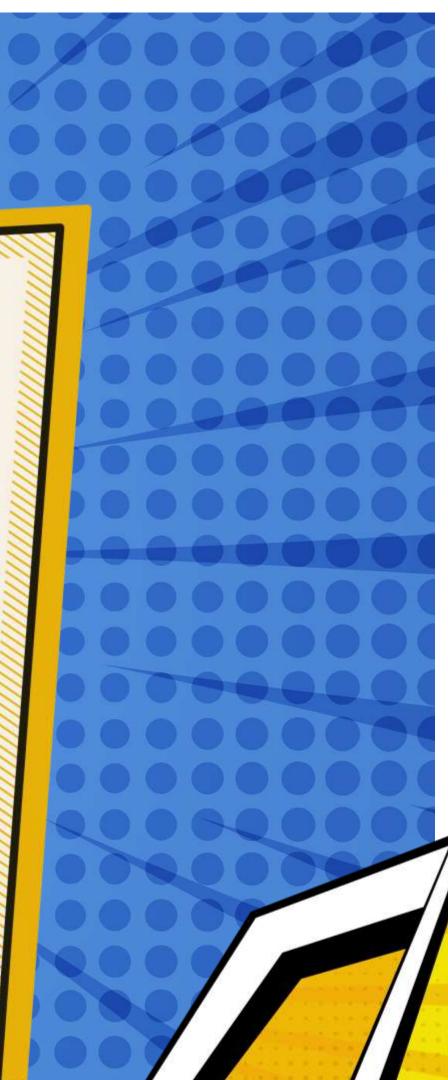
Savings and Revenue

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	An
Residential @ \$.74	286,843,732	0.74%	
Commercial @\$.82	138,941,533	0.82%	
Apartments @ \$.85	208,510,566	0.85%	
	634,295,831	• • • •	0

Option A

Residential no change, Decreased Commercial to \$.80, kept Apartments at \$.85

Property Assessments	Assessments	Rate	An
Residential @ \$.74	286,843,732	0.74%	
Commercial @\$.80	138,941,533	0.80%	
Apartments @ \$.85	208,510,566	0.85%	
	634,295,831		

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	



unt
2,122,644
1,139,321
1,772,340
5,034,304

no

mοι	JN	t	
	2.	122	.644

1,111,532

1,772,340

5,006,516



Next Steps If there are changes to the Real **Estate Tax Rate: Final Budget Session** • Need at least one week to advertise for a hearing April 29, 2025 • Any proposals have been included in meeting materials **Ordinance** Approval **Tax Rate Hearing** Process • Ordinance Budget Monday, May May 12, 2025 12, 2025. Budget Council Meeting • Adoption date, Monday, June 9, 2025.





Thank You !



