



FY 2026 Budget Introduction Session #2



Topics for Tonight

- Information Slides
- Revenue Estimates and Options
- Events Budget
- Council Budget
- Other Items
- Next Steps



Revenue Estimates

- Town Staff is developing estimates that take into account the changes in assessed evaluations and previous income tax estimates
- We are looking at all available sources of new revenues from services



Revenue Estimates



Real Estate Taxes

- Residential and Commercial Assessed values increasing 4% to \$418M.
- Current tax rate of \$.74 results in revenues of \$3.1M.
- Estimated \$120K increase in revenues as compared to FY25.

Apartments and multi-unit housing

- Residential and Commercial Assessed values increasing 4% to \$206M.
- Current tax rate of \$.80 results in revenues of \$1.65M.
- Estimated \$65K increase in revenues as compared to FY25.

Other Items

- Other Taxes – No changes to Business Property and Income tax.
- Slight increase of 5% in Highway User Funds.
- Reduced projected revenues generated by Automated Traffic Enforcement by \$1M.





Real Estate Taxes – What's a penny of tax worth to fund Town services?

Next Budget Year

- FY26 Residential and Commercial Assessments = \$418,000,000 (estimated)
- Every Penny of tax is worth \$41,800 of tax revenues to the Town
- \$41,800 x our tax rate of 74¢ per \$100 of assessed value = \$3,093,200 which is our projected Residential and Commercial Real Estate Tax Revenues for FY26.
 - Any penny of change to the tax \$.74 tax rate would generate an additional \$41,800 of revenues.
 - (Example \$.06 increase x \$41,800 = \$250K increase in revenues).



Real Estate Taxes – What's a penny of tax worth to fund Town services?

Next Budget Year

- FY26 **Apartment** Assessments = **\$206,000,000** (estimated)
- Every Penny of tax is worth **\$21,600** of tax revenues to the Town
- $\$41,800 \times \text{our tax rate of } 80\text{¢ per } \$100 \text{ of assessed value} = \mathbf{\$1,648,000}$
which is our projected Apartment Real Estate Tax Revenues for FY26.
 - Any penny of change to the tax \$.80 tax rate would generate an additional \$21,600 of revenues.
 - (Example \$.05 increase \times \$21,600 = \$103K increase in revenues).



Revenue Options



Increase Residential tax rate

- Increase tax rate 6 cents from \$.74 to \$.80.
- Results in additional \$165K of revenues


Increase Industrial and Commercial tax rate

- Increase tax rate 6 cents from \$.74 to \$.80.
- Results in additional \$86K of revenues

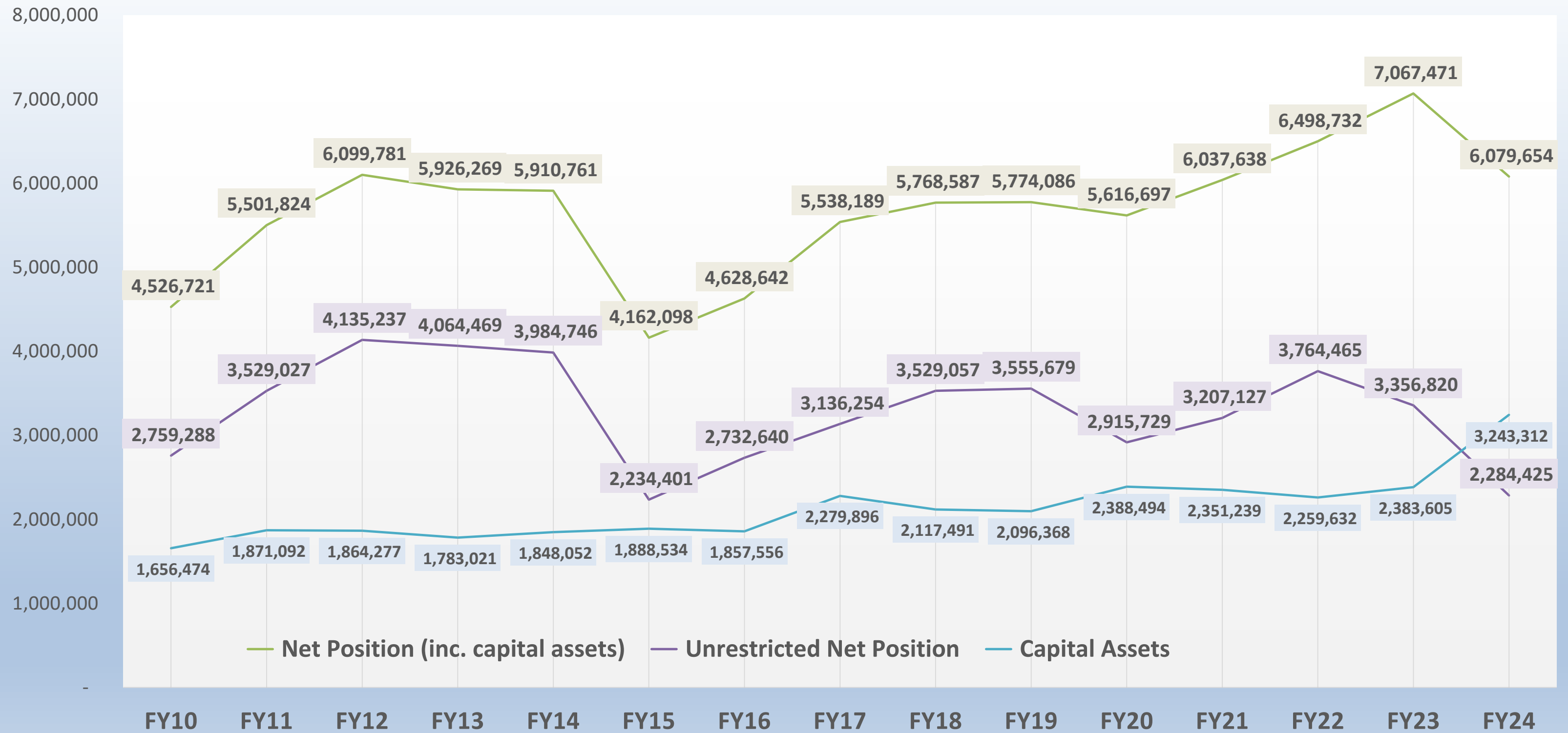
Increase Apartment tax Rate

- Increase tax rate 5 cents from \$.80 to \$.85.
- Results in additional \$103K of revenues

Other Items

- Increase Income Tax revenues based on projections to be released in March.
 - Add a Rental License Program which could generate an additional \$30K.
 - Increase Automated Traffic Enforcement revenues based on Red Light Camera activity later this spring.
- 

Net Position History





Events Budget





Council Budget



Compensation Changes

- Health Insurance increase estimated at 17% based on coverages and projected 4% increase.
- COLA and Merit included, if added for staff.

Council Travel and Events

- Increased Professional Development and Travel for additional training opportunities.

Community Events

- Increased for expanding our current list of events.
- 

		FY24 Budget	FY25 Budget	FY26 Budget	<i>% inc.</i>	Notes to Line Items						
6000 · Compensation												
	6010 · Regular Pay	60,008	62,708	64,055	2%	Compensation for the Mayor and (4) Council Members						
	6030 · FICA	4,591	4,797	4,900	2%	7.65% employer tax on total pay						
	6040 · Health Insurance	40,468	45,651	53,369	17%	Health, Dental, Vision insurance based upon enrollment in plans						
	6050 · Pension	6,559	6,854	5,600	-18%	Contribution to MD State Retirement System						
	6060 · Workers Comp	2,000	500	500	0%	Required liability insurance						
Total 6000 · Compensation		113,626	120,510	128,424	7%							
6145 · Council Business Development		22,000	26,000	30,000	15%	Attendance for meetings and conferences to MML, NLC, PGCMA, AAMA						
6160 · Employee Recognition		8,000	15,000	15,000	0%	Staff recognitions, lunches, awards, and Christmas.						
6210 · Council Projects		2,500	2,500	2,500	0%	Discretionary funding for local organizations and projects						
6225 · Community Grants												
	6226 · Fire Department Donation	30,000	30,000	30,000	0%	Annual donation to Bladensburg VFD						
	6227 · Scholarships	5,000	5,000	5,000	0%	Bladensburg students to attend college or vocational school/studies						
	6225 · Community Grants - Other	12,000	12,000	12,000	0%	\$2,000 grants given on an application basis						
Total 6225 · Community Grants		47,000	47,000	47,000	0%							
6230 · Community Events		66,000	66,000	75,000	14%	Events such as Fireworks, Yule Log, BHM Celebration, Boys/Girls Club, etc.						
6235 · Senior Citizen Projects		4,500	4,500	4,500	0%	\$1,500 donation given to the three Senior Housing Communities to fund events						
6255 · Town Meetings		5,000	6,000	-	-100%	Video productions and refreshments - move to Town Administrator budget						
6320 · Wireless Communications		4,800	-	-								
6420 · Computer Expense		-	-	-								
6550 · Insurance - Liability		3,000	2,000	3,000	50%	Elected official liability insurance through LGIT						
6825 · Membership		13,000	20,000	20,000	0%	MML, National League of Cities, PGCMA, Metro Washington Council of Govts., etc.						
6835 · Travel			14,000	20,000	43%	Travel and accommodations associated with meetings and conferences						
Total Expense		289,426	323,510	345,424	7%							

Next Steps



Budget Sessions:

Throughout March – May
2025

Next Session | March 10,
2025

Budget Ordinance: First
Reading: Regular Meeting –
April 14, 2025

If there are changes to the Real Estate Tax Rate:

- Need at least one week to
advertise for a hearing
- The earliest advertisement date
would be April 7, 2025, or May 5,
2025

Tax Rate Hearing (Tentative)

- Week of April 14, 2025, or
- May 12, 2025, Budget Session

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

Final Budget Adoption

Monday, May 12, 2025.
Alternative Budget Adoption
date, Monday, June 9, 2025.

- Budget Ordinance Adoption

Thank You

