

City of Alexandria, Virginia
FY 2026 Proposed Operating Budget & CIP
Budget Questions & Answers

April 29, 2025

Question:

What is the total proposed increase in expenditures for city staff compensation enhancements inclusive of: steps, COLAs, collective bargaining agreements for city employee groups including DASH, cyclical compensation adjustments, and targeted recruitment bonuses?

Response:

The FY 2026 proposed General Fund personnel budget is \$287.6 million, an increase of \$6.5 million from FY 2025. Proposed increases in expenditures for city staff compensation enhancements are as follows:

- **Standard Step and Benefit Rate Adjustments:**
 - For non-collectively bargained employees: \$2.4 million
 - For collectively bargained step increases: \$1.8 million
- **Collective Bargaining Agreements:**
 - Scheduled pay scale adjustments from the Police, Fire, and Labor and Trades collective bargaining agreements totaling \$2.1 million
 - Scheduled pay scale adjustments for DASH collective bargaining agreements totaling \$1.9 million (this reflects a 4% salary increase mandated by the Collective Bargaining Agreement and required step increases based on seniority)
- **COLAs:**
 - A 1.0% City-wide cost-of-living adjustment to non-collectively bargained pay scales, totaling \$1.3 million in additional General Fund spending
- **Cyclical Compensation Adjustments:**
 - The FY 2026 proposed budget includes \$1.0M for salary adjustments to be determined through a comprehensive compensation analysis for market competitiveness.

A portion of these proposed increases in personnel expenditures (salaries and benefits) is offset by turnover savings and the application of a citywide vacancy factor.