

# City Manager's Message



Mayor Gaskins and City Council Members and All Alexandrians-

The City of Alexandria enters Fiscal Year 2027 guided by one clear theme: Steady Progress. In the year ahead, we will focus on stability, essential services, and long-term community well-being—delivering reliable services while stewarding public resources responsibly.

The FY27 General Fund Operating Budget totals \$977.3 million and proposes no increase to the real estate or personal property tax rates. The budget aligns spending with available revenues while protecting core services, advancing equity, preserving and improving critical infrastructure, and maintaining the important services that help our residents and businesses.

FY27 will fund existing collective bargaining agreements and provide a step increase and 1.5% pay scale adjustment for eligible non-collectively bargained City employees. It also advances key City Council priorities, including increased investment in Alexandria City Public Schools (ACPS), support for critical food security programs, affordable housing initiatives, efforts to eliminate community disparities, and strategies to strengthen and grow Alexandria's economy.

**Key highlights of the proposed budget include:**

- Maintains the current real estate tax rate of \$1.135 per \$100 of assessed value and continues elderly, disabled, and veteran tax relief programs;
- No proposed change to personal property tax, sanitary sewer, or refuse rates;
- Increases stormwater utility fee rates from \$349.30 to \$357.40 as scheduled;
- Fully funds the third year of Labor and Trades collective bargaining agreement and the first year of the Administrative & Technical, Fire, and Police collective bargaining agreements;
- Provides a step increase and 1.5% pay scale adjustment for eligible non-collectively bargained City employees;
- Funds an increase of \$4.2M or 1.5% in the ACPS Operating transfer to support the ACPS operating budget, which is the level of funding outlined by City Council's budget guidance;
- Provides substantial new ongoing funding for critical services including emergency shelter and meals for seniors;
- Supports community-based food hub operations;
- Allocates funding for early childhood support and intervention projects;
- Supports small business recovery through strategic marketing efforts;
- Uses \$9.0 million in efficiency reductions, cost-cutting savings, and vacant position reductions to balance the budget.

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## **Key Highlights of the Proposed Capital Improvement Program budget include:**

- \$25.0 million for Alexandria City Public Schools capital funding request which reflects 100% of the School Board's Year 1 (FY 2027) capital funding request;
- \$22.3 million for stormwater management projects; including \$7.1 million for capacity improvements at Commonwealth Ave, E. Glebe Road, and Ashby St;
- \$22.2 million to purchase wastewater capacity at AlexRenew;
- \$15.8 million for the City's contribution to WMATA's Capital Improvement Program;
- \$12.0 million for the renovation of City Hall, Market Square Plaza, and Parking Garage;
- \$11.6 million for investments in affordable housing;
- \$9.3 million to support DASH Bus Fleet Replacement/state of good repair rolling stock replacement;
- \$9.3 million to support Old Town Pool Renovation project;
- \$5.6 million for street reconstruction and resurfacing, which will support the resurfacing of approximately 50-55 lane miles in FY 2027;
- \$5.0 million for capital maintenance of parks, playgrounds, recreation centers, and other public spaces; and
- \$2.0 million for improvements at Ewald Park.

These initiatives and programs maintain the essential services residents rely on every day: public safety, education, infrastructure maintenance, human services, libraries, recreation, and environmental programs, while positioning the City for long-term resilience. Across every department, City employees continue to serve the community with professionalism, dedication, and care. These efforts reflect a City that remains steady, responsive, and committed to meeting today's needs while preparing for tomorrow's opportunities.

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## **Stay Informed and Engaged**

For more details on the budget process and upcoming meetings, [visit alexandriava.gov/Budget](https://alexandriava.gov/Budget). Public participation is crucial to ensure the future Alexandria is building together remains one where all can succeed.

While the development of the proposed FY2027 operating and capital budgets was challenging in light of federal government decisions, uncertainty in the economy, and significant cost pressures felt by residents and businesses, the recommended operating and capital budgets reflect the steady progress this community can make by working together.

Best,

James F. Parajon  
City Manager

A handwritten signature in black ink, appearing to read "J. F. Parajon", is written below the typed name and title.

# Budget Equity Tool



## WHAT IS BUDGET EQUITY TOOL

The Budget Equity Tool (BET) is intended to explicitly incorporate considerations of racial and social equity in the development of the City's budget. It is both a process and a product. The process in that staff, fiscal representatives, and department leaders are expected to thoughtfully evaluate their proposed supplementals and reductions for their equity impacts by answering five questions, based on people, place, and benefits/burdens. The five questions are as follows:

1. What specific racial and/or social inequities in Alexandria does this proposal intend to address/reduce? (0-4 points)
2. Who will benefit from this proposal? Who will be burdened? Externally, which communities will be impacted; internally, who/what levels of staff will be impacted? Please answer both benefit and burden for full evaluation. (0-4 points)
3. What areas of the city will be impacted by your proposal? (0-4 points)
4. How does this proposal impact your department's capacity to engage with community (externally) and/or City staff (internally)? (0-4 points)
5. Describe how this proposed supplemental/reduction contributes to your department's ability to advance racial and social equity. (0-4 points)

The supplementals and reductions that are proposed for the FY 2027 budget are then evaluated by the Office of Race and Social Equity (RASE) to develop a scored product on a five-point scale from being "highly likely" to lead to more equitable community, staff, or departmental outcomes to "no specific connection to increasing or maintaining current equity outcomes for community, staff, or department." The aim is that the City will continue to advance its commitment to *ALL Alexandria* through equitable decision making in budget, policy, practice, procedure, and culture.

Five scales (highly likely, likely, maintains, very unlikely, no specific connection) are created based on the following criteria:

- **Highly Likely** to lead to more equitable community, staff, or departmental outcomes (17-20 points)
- **Likely** to contribute to increased equitable community, staff, or departmental outcomes (13-16 points)
- **Maintains** a current level of operation and outcomes related to equity for community, staff, and department (9-12 points)
- **Very Unlikely** and could exacerbate or perpetuate inequities for community, staff, or departmental outcomes (4-8 points)
- **No specific connection** to increasing or maintaining current equity outcomes for community, staff, or department (0-3 points)

Budget equity scores of the supplementals and reductions that are included in the FY 2027 proposed budget are provided in the following table. While reading the table, it should be noted that the score of "highly likely" is still contingent upon equitable implementation of the program outlined.

# Budget Equity Tool



## BUDGET EQUITY SCORES

Addition/ Reduction	Department	Proposal Title	BET Score
Addition	Circuit Court Judges	Funding for the Alexandria Recovery Court ("ARC")	Likely
Reduction	City Clerk and Clerk of Council	1% Reduction to Advertising	No Connection
Reduction	City Manager's Office	1% Reduction to Education & Training	Maintains
Reduction	Communications	1% Reduction in Translation & Interpretation Services	Maintains
Reduction	Community and Human Services	Personnel Adjustment for New Waiver Slots	Maintains
Reduction	Community and Human Services	Program Redesign Efficiencies	Maintains
Reduction	Community and Human Services	Reimbursement Efficiency Initiative	No Connection
Reduction	Community and Human Services	Reduction in Administrative Support	Maintains
Reduction	Community and Human Services	Elimination of Crisis Childcare through Alternative Funding Source	Maintains
Reduction	Community and Human Services	Operations Budget Efficiency Savings	No Connection
Reduction	Community and Human Services	Travel Policy Adjustment	Maintains
Reduction	Community and Human Services	Child and Family Behavioral Health Services Organizational Alignment	Maintains
Addition	Community and Human Services	Early Childhood Monitoring Position	Highly Likely
Addition	Community and Human Services	Benefits Compliance Management	Highly Likely
Addition	Community and Human Services	Early Childhood Support and Intervention Projects	Highly Likely
Addition	Community and Human Services	Strategic HR Support for Mental Health Staffing	Maintains
Reduction	Criminal Justice Services	Partial reduction to the NVFS contract	Equity Score Pending*
Addition	DCJS (formerly ACJS)	Supplemental Funding for In-House Alcohol Safety Action Program (ASAP)	Highly Likely
Reduction	Economic Development	AEDP Reduction Proposal #3-- Research Tools reduction	Maintains
Reduction	Economic Development	AEDP Reduction Proposal #1--Furniture Efficiency Savings	No Connection
Reduction	Economic Development	AEDP Reduction Proposal #2- Small Business Support reduction	Maintains
Reduction	Economic Development	Visit ALX- Business Development	No Connection
Reduction	Economic Development	Visit ALX - Professional Development	No Connection
Reduction	Economic Development	Visit ALX - Giftshop Investment	No Connection
Reduction	Economic Development	Visit ALX - Event Production	Maintains
Addition	Economic Development	Visit Alexandria - One time marketing	Equity Score Pending*
Addition	Economic Development	AEDP - ALX Forward	Equity Score Pending*
Addition	Emergency and Customer Communications	Hiring Bonus for newly hired Public Safety Communication Officers (PSCO) & certified 9-1-1 personnel	Maintains
Addition	Emergency and Customer Communications	DECC Training Pay Increase	Maintains
Reduction	Finance	Elimination of Fiscal Officer III	No Connection
Addition	Finance	Management Analyst I / Shared with Housing	Likely

\*Items with pending equity scores were not included in the proposed budget and will instead be documented in a budget memo and included in the approved budget.

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## BUDGET EQUITY SCORES

Addition/ Reduction	Department	Proposal Title	BET Score
Reduction	Fire	Overtime Reduction	Maintains
Addition	Fire	EMS Language Line	Likely
Addition	Fire	Promotional Process Continuation	No Connection
Addition	Fire	Emergency Management Positions	Likely
Reduction	General Services	Budget Reduction - City Hall Custodial Services	No Connection
Reduction	General Services	Budget Reduction - City Hall Elevator PM Services	No Connection
Reduction	General Services	Budget Reduction - City Hall Water Treatment Services	No Connection
Reduction	General Services	Budget Reduction - City Hall Alarm Monitoring Services	No Connection
Reduction	General Services	Budget Reduction - City Hall Pest Control Services	No Connection
Reduction	General Services	Budget Reduction - City Hall Chiller/HVAC PM Service	No Connection
Reduction	General Services	Budget Reduction - City Hall Landscaping Services	No Connection
Reduction	General Services	Budget Reduction - City Hall Sprinkler Inspection Services	No Connection
Reduction	General Services	Budget Reduction- City Hall Tower Clock PM Services	No Connection
Reduction	Health	Reduction of Clinical Services - Family Planning	Equity Score Pending*
Reduction	Health	Reduction of EH Vector Control	No Connection
Addition	Health	Maintaining AHD's Community Engagement Manager for Better Health Outcomes	Highly Likely
Reduction	Historic Alexandria	Historic Alexandria Operations Reduction	Maintains
Addition	Historic Alexandria	Alexandria Community Remembrance Project	Highly Likely
Reduction	Housing	Housing Leadership Cost Offsets	Maintains
Addition	Housing	Shared Staffing with Finance Department	Likely
Reduction	Human Resources	Removal of Payfactors Technology service	Maintains
Reduction	Human Resources	Offsetting Reduction: Decrease in Classification and Compensation's Special Events Funding	Maintains
Addition	Human Resources	One-time employee relations funding	Maintains
Reduction	Human Rights	Efficiency savings in non-personnel budget aligning budget with actual spending	Maintains
Reduction	Information Technology Services	Verizon Internet Service 1st & 2nd Circuits	No Connection
Reduction	Information Technology Services	Research and Advisory Reduction	Maintains
Reduction	Information Technology Services	Equipment/Maintenance - IT Courts	No Connection
Reduction	Information Technology Services	Equipment/Maintenance- Planning and Project Management	No Connection
Addition	Information Technology Services	Cloud Architect Engineer (Network Engineer III)	Maintains
Addition	Information Technology Services	Security Engineer (Computer Programmer Analyst IV)	Maintains

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Reduction	Internal Audit	Efficiency savings in memberships, trainings and mileage	No Connection
Reduction	Juvenile and Domestic Relations Court	Reduction to printing and binding	Equity Score Pending*
Addition	Library	Outreach Coordinator	Maintains
Reduction	Office of Analytics, Innovation, and Data	Survey funding change to match proposed cadence	No Connection
Reduction	Office of Independent Policing	Efficiency savings in the non-personnel budget	Equity Score Pending*
Reduction	Office of Management and Budget	Reduction to part-time seasonal staffing	No Connection
Reduction	Planning and Zoning	1% Reduction - Overhire Personnel Adjustment	Equity Score Pending*
Reduction	Police	Renegotiation of security contract	Maintains
Reduction	Police	Elimination of six vacant Parking Enforcement Officer positions	No Connection
Reduction	Recreation, Parks, & Cultural Activities	City Hall Plaza Flower Basket and Planting Bed	No Connection
Reduction	Recreation, Parks, & Cultural Activities	Insourcing flower watering services for Waterfront/Marina	No Connection
Reduction	Recreation, Parks, & Cultural Activities	City Staff Park Landscape & Mowing Services	No Connection
Addition	Recreation, Parks, & Cultural Activities	Expansion waterfront Debris Mgmt	No Connection
Addition	Recreation, Parks, & Cultural Activities	One-time enhancement of recreation centers with seasonal ornamental color	No Connection
Addition	Recreation, Parks, & Cultural Activities	Head lifeguard position adjustment	Likely
Addition	Recreation, Parks, & Cultural Activities	Colasanto spray park inspections	Maintains
Reduction	Transportation and Environmental Services	Efficiency due to Parking Meter Credit Card Fees	No Connection
Reduction	Transportation and Environmental Services	Refuse Disposal Reduction (General Fund)	No Connection
Reduction	Transportation and Environmental Services	Fuel Reductions/Efficiency	No Connection
Addition	Transportation and Environmental Services	Replacement of Dated Dumpsters at City Facilities	Maintains
Addition	Transportation and Environmental Services	Automatic Vehicle Locator (AVL) and GPS-Telematics System	No Connection
Addition	Transit Services	One-Time DASH Line 32 Expansion	Equity Score Pending*

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