

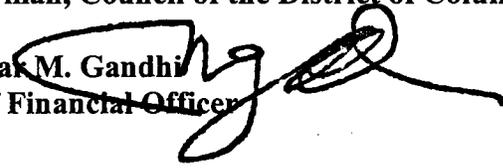
**Government of the District of Columbia  
Office of the Chief Financial Officer**



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**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** SEP 20 2005

**SUBJECT:** Fiscal Impact Statement: "Compensation Collective Bargaining Agreement Between the Government of the District of Columbia and Doctor's Council of the District of Columbia Representing Compensation Unit 19 Approval Resolution of 2005"

**REFERENCE:** Draft Resolution to be Introduced – No Number Available

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**Conclusion**

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed approval resolution. The fiscal effect, estimated to be \$753,000 over four fiscal years, will be funded from existing resources found in appropriations for three District agencies and District Workforce investments.

**Background**

The proposed resolution would approve a compensation settlement agreement recommended by the District Office of Labor Relations and Collective Bargaining. The compensation increases would affect 18 employees at the Office of the Chief Medical Examiner (OCME), the Department of Health (DoH), and the Department of Human Services (DHS) through a collective bargaining agreement. This population of employees have a \$2.3 million aggregate annual salary. Terms of the agreement include:

- Retroactive in FY 2005, move to the new District salary schedule effective April 2005;

- If moving to the new schedule does not yield an increase equal to or greater than 3.0 percent, the employee will receive a 3.0 percent increase;
- In FY 2006, a 3.0 percent increase effective January 2006;
- In FY 2007, a 3.0 percent increase effective October 2006;
- In FY 2008, a 3.5 percent increase effective December 2007; and
- In FY 2009, a 4.0 percent increase effective October 2008.

In addition, funding for continuing medical education was increased from the current level of \$500 to \$750 annually per doctor.

### **Financial Plan Impact**

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed approval resolution. No additional staff or resources will be required to implement the provisions of the proposed resolution.

The gross costs of implementing the agreement in FY 2006 are approximately \$232,000. The local portion of this amount is approximately \$129,000. The following table presents the personnel services and operational costs associated with implementing the provisions of the proposed agreement.

<b>Expenditure Impact to the Financial Plan</b>				
<b>(S in 000s)</b>				
<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>TOTAL</b>
\$129.0	\$152.6	\$198.5	\$272.9	<b>\$753.0</b>

The figures include wages, fringe benefits and the increase to continuing education. Costs include 15.0 percent for fringe benefits and 10 percent for additional gross pay (eg. Shift premiums, on-call pay, etc.) FY 2005 accruals support implementation of the proposed agreement and will be expended in FY 2006.