

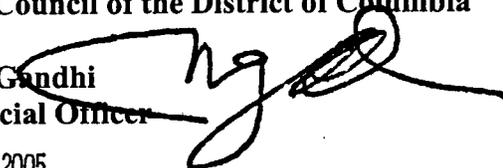
**Government of the District of Columbia
Office of the Chief Financial Officer**



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2005 SEP 20 PM 1:37
CHAIRMAN CROPP

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: "Career and Excepted Service Employees Compensation System Changes for Fire and Emergency Medical Services Department Non-Bargaining Unit Battalion Chiefs, Deputy Chiefs and Assistant Chiefs Approval Resolution of 2005"

REFERENCE: Draft Resolution to be Introduced – No Number Available

Conclusion

Funds are sufficient in FY 2005 and the FY 2006 through FY 2009 budget and financial plan. The provisions of the proposed approval resolution will require no additional resources.

Background

The proposed resolution would approve compensation system changes recommended by the District of Columbia Office of Personnel. The recommendation is a 4 percent increase in base salaries effective October 2, 2005. The compensation system changes will impact District Battalion Chiefs, Deputy Chiefs, and Assistant Chiefs in the Department of Fire and Emergency Medical Services. Approximately 44 FTEs will be the beneficiaries of the proposed increase.

Financial Plan Impact

Funds are sufficient in the FY 2005 budget and the proposed FY 2006 through FY 2009 budget and financial plan.

Benefits are estimated at 10 percent of base salary and additional gross pay is estimated at 13 percent of base pay. The gross costs for the proposed compensation system change are approximately \$322,700.¹ The table in Figure 1 presents the personnel service costs impacting the financial plan.²

Figure 1.

Expenditure Impact to the Local Financial Plan					
(S in 000s)					
FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	5 -Year Total
\$0.00	\$322.7	\$337.7	\$350.1	\$362.8	\$1,373.3

¹ Gross base pay and benefits are 100 percent expending against local sources.

² The pension contribution is estimated on the actuarial normal contribution rate for District firefighters.