

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

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

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: May 15, 2003

SUBJECT: Fiscal Impact Statement: “Compensation Settlement Agreement for the Collective Bargaining Unit for the Doctors Council of the District of Columbia (CBA) Compensation System Changes Approval Resolution of 2003”

REFERENCE: Draft Resolutions as Introduced – No Numbers Available

Conclusion

Funds are sufficient in the FY 2003 budget and the FY 2004 through FY 2007 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia to implement the provisions of the proposed approval resolution. The proposed resolution will not require any additional resources.

Background

The proposed resolution approves a settlement agreement recommended by the District’s Department of Mental Health. The compensation increases would affect 84 employees who are dentists, physicians and podiatrists at the Department of Mental Health through a collective bargaining agreement. Terms of the agreement include:

- An increase of 8 percent to base wages retroactive to July 1, 2002;
- An increase of 5 percent effective July 1, 2003; and
- An increase of 2 percent effective July 1, 2004.

Financial Plan Impact

Funds are sufficient in the FY 2003 budget and the proposed FY 2004 through FY 2007 budget and financial plan to implement the provisions of the proposed resolution.

Retroactive components of the collective bargaining agreement will be expended from the current fiscal year funds. The Department of Mental Health has accrued funds for these purposes.

Agency costs of the agreements include the following assumptions:

- An increase of 3 percent to base wages effective July 1, 2005; and
- An increase of 3 percent effective July 1, 2006.

The following table presents the personnel services costs associated with implementing the provisions of the proposed agreement.

Expenditure Impact to the Financial Plan					
(\$ in millions)					
FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	TOTAL
\$0.8	\$1.0	\$1.2	\$1.4	\$1.5	\$5.9

The Chief Financial Officer's legislative fiscal analysis is prepared by the Special Projects and Fiscal Analysis Administration in the Office of Research and Analysis. Contact us at 441 4th Street, NW, Suite 400S, Washington D.C., 20001 or view our work on-line at <http://cfo.dc.gov>.