

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 19, 2003

SUBJECT: Fiscal Impact Statement: “Compensation Agreement Between the University of the District of Columbia and AFSCME, District Council 20, Local 2087 Approval Resolution of 2003”

REFERENCE: Draft Approval Resolution – No Number Available

Conclusion

Funds are sufficient in the FY 2003 budget and the FY 2004 through FY 2007 budget and financial plan to implement the provisions of the proposed approval resolution. The proposed legislation will not require any additional resources.

Background

The proposed legislation would approve a settlement agreement recommended by the District’s Office of Labor Relations and Collective Bargaining and the District Office of Personnel. The compensation increases would affect 76 employees at the University of the District of Columbia through a collective bargaining agreement. Terms of the agreement include:

- An increase of 4 percent to base wages retroactive to October 1, 2000;
- An increase of 4 percent retroactive to January 1, 2002; and
- An increase of 4 percent retroactive to April 1, 2003.

In the future, these employees in compensation unit 15 will jointly petition to bargain collectively with Compensation Units 1 and 2.

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 pay increases of the collective bargaining agreement will be expended from the current fiscal year. The University of the District of Columbia has sufficient funds for these purposes and no additional resources will be required.

Agency costs of the agreements include the following assumptions:

- An increase of 3.2 percent to base wages and 7.6 percent for benefits on October 1, 2004;
- An increase of 3.3 percent to base wages and 7.65 percent for benefits on October 1, 2005; and
- An increase of 3.2 percent to base wages and 7.6 percent for benefits on October 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 000s)					
FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	TOTAL
\$655	\$381	\$396	\$412	\$428	\$2,272

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>.