

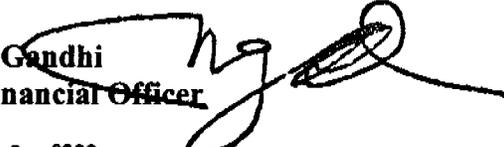
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

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

FROM: Natwar Gandhi 
Chief Financial Officer

DATE: JUN -9 2006

SUBJECT: Fiscal Impact Statement: "Executive Service Compensation System Changes Approval Resolution of 2006."

REFERENCE: Draft Resolution

Conclusion

Funds are sufficient in the proposed FY 2007 through FY 2010 budget and financial plan to implement the proposed resolution. No additional resources would be required.

Background

The proposed resolution would approve a 3.0 percent increase to the Executive Schedule ("DX Schedule"), effective October 1, 2006. The DX Schedule defines the minimum and maximum rates for the pay ranges for Executive Service employees. The 3.0 percent increase applies to the rate structure only, rather than to existing salaries of Executive Service employees. Current payroll data indicates that there are 25 Executive Service FTEs with a combined annualized gross salary of \$3.3 million. There are no Executive Service employees at the minimum level of the DX Schedule.

Financial Plan Impact

Funds are sufficient in the proposed FY 2007 through FY 2010 budget and financial plan to implement the proposed resolution. The proposed resolution increases the entire DX Schedule by 3.0 percent but does not apply the increase to existing individual salaries. Any additional base compensation and variable pay (bonuses) would be at the discretion of the Mayor and would need to be budgeted at the Executive level.