

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



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: MAY -4 2007

SUBJECT: Fiscal Impact Statement: "Agreement Between the Transportation Administrator for the Division of Transportation of the District of Columbia Public Schools and District 20 Local 1959 American Federation of State, County and Municipal Employees AFL-CIO Approval Resolution of 2007"

REFERENCE: Draft Resolution to be Introduced – No Number Available

Conclusion

Funds are sufficient in the FY 2007 budget and the proposed FY 2008 through FY 2011 budget and financial plan to implement the proposed approval resolution. No additional resources will be required.

Background

The proposed resolution would approve the funding for a compensation agreement between the District of Columbia Board of Education and 1,236 FTE's (equivalent to 1,612 union hourly wage employees) that support transportation operations in the District of Columbia Schools System (DCPS). These employees are members of the AFSCME District Council 20 Local 1959.

Terms of the related agreement include:

- A signing bonus of \$1,000 effective as of the signing date of the Agreement;
- A 3 percent increase to base salary effective January 1, 2006;

- A 1 percent increase to base salary Performance Incentive Compensation (PIC) formula effective October 1, 2006;
- A 3 percent increase to base salary effective October 1, 2006 per MOU;
- Up to a 2 percent increase to base salary PIC formula effective October 1, 2007; and
- A 0.125 percent additional incentive base salary increase effective October 1, 2007 if there are fewer than 50 preventable accidents.

Financial Plan Impact

The FY 2007 cost of implementing the agreement totals approximately \$2.87 million which will be covered by DCPS appropriations and additional funding received from a March 2007 Court Order. The table in Figure 1 presents the costs for fully implementing this initiative.

Figure 1.

Expenditure Impact to the Financial Plan						
<i>(S in millions)</i>						
FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Six-Year Total
\$ 2.65	\$ 2.87	\$ 3.88	\$ 4.00	\$ 4.12	\$ 4.24	\$ 21.76

FY 2006 funding has been approved in a prior action.