

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 [signature]
Chief Financial Officer

DATE: November 12, 2004

SUBJECT: Fiscal Impact Statement: "Office of the Attorney General
Legal Service Managers Compensation System Establishment
Rulemaking Approval Resolution and Compensation System
Changes Approval Resolution of 2004"

REFERENCE: Draft Resolution to be Introduced - No Number Available

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan. No additional resources will be required.

Background

The proposed resolution approves a new compensation system for senior executive attorneys working in the District government. The compensation increases would affect 46 non-union, senior executive and management attorneys who are employees in the Office of the Attorney General of the District of Columbia (OAG).

Financial Plan Impact

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan because no additional resources will be required. The FY 2005 gross costs of implementing the new schedule are approximately \$725,000. The local portion of this amount is approximately \$571,000.¹ The table in Figure 1 presents the personnel services costs associated with implementing the provisions of the proposed compensation system change.

¹ Impacts to the District's pay and retirement system will be incurred in the third year of implementation. Determining retirement costs will require an actuarial study that will be performed by the Pay and Retirement Board for the FY 2007 budget call.

Figure 1.

Expenditure Impact to the Financial Plan (\$ in 000s)				
FY 2005	FY 2006	FY 2007	FY 2008	TOTAL
\$571	\$640	\$727	\$816	\$2,754

There are no retroactive provisions in this initiative. The LX compensation system change will be effective with the implementation of the proposed resolution.