

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: July 13, 2004

SUBJECT: Fiscal Impact Statement: "Compensation System for the
Career, Legal, Excepted, and Management Supervisory
Service Approval Resolution of 2004"

REFERENCE: Draft Proposed Resolution - No Number Available

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan to implement the proposed regulations. Any increases in compensation rates or incentives that may result from the proposed regulations will have to be absorbed within existing budget resources, or will have to be planned and allocated by agencies in future budget authorizations.

Federal and local anti-deficiency laws, 31 USC § 1341 (2000) and D.C. Official Code § 47-355.01 *et Sequitor* (2003), prohibit District officers and employees from exceeding appropriations in any fiscal year. If funding is available to absorb the additional costs, then the fiscal impact would be zero. For subsequent years, the additional expenditures must be included in the budget and financial plan.

Background

The proposed regulations will replace and supercede existing regulations found throughout the District of Columbia Municipal Regulations (DCMR). The purpose of this initiative is to remove or replace antiquated regulations, consolidate and normalize compensation system regulations as they currently apply to District employees, and establish new regulations to conform to the District's current policies and intentions.

Financial Plan Impact

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan to implement the proposed regulations.