

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: June 24, 2004

SUBJECT: Fiscal Impact Statement: “Compensation Settlement for
Employees Represented by the District of Columbia Nurses
Association Approval Resolution of 2004”

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2004 budget and the FY 2005 through FY 2008 budget and financial plan as agreed to by the Mayor and Council of the District of Columbia to implement the proposed resolution.

Background

The proposed legislation would approve a collective bargaining agreement recommended by the District’s Department of Mental Health (DMH). The compensation increases would affect 146 employees who are nurses at DMH. The terms of the agreement include:

- An increase of 1.5 percent in base salary retroactive to October 1, 2002;
- An increase of 3.5 percent in base salary retroactive to October 1, 2003; and
- An increase of 4 percent in base salary effective October 1, 2004.

Financial Plan Impact

Funds are sufficient in the FY 2004 budget and the FY 2005 through FY 2008 budget and financial plan to implement the proposed resolution. Funds are available for the retroactive components of the collective bargaining agreement.

The total cost of the pay agreement from FY 2003 through FY 2008 is \$5,263,185 of which \$2,529,910 is financed by local funds. The remainder is financed from other sources including federal funds, grants and other non-governmental sources. The table below illustrates the local personal services costs associated with implementing the proposed resolution.

Local Fund (Expenditure) Impact to the Financial Plan						
FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total
\$89,779	\$284,035	\$512,985	\$529,489	\$547,411	\$566,211	\$2,529,910