

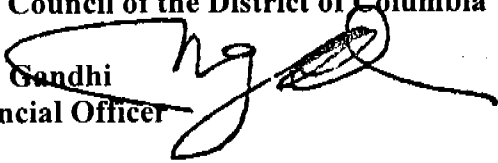
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

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

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: DEC 5 2006

SUBJECT: Fiscal Impact Statement: "Mayor and Council Compensation
Advisory Commission Establishment Amendment Act of 2006"

REFERENCE: Bill Number 16-1002 (December 5, 2006 Committee Print)

Conclusion

The legislation stipulates that its provisions shall apply subject to the inclusion of its fiscal effect in an approved budget and financial plan. The costs of the proposed compensation increases are estimated to be \$229,000 in FY 2007 and a total of \$1,411,000 for the FY 2007 through FY 2010 budget and financial plan period.

Background

The proposed legislation amends the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to create a Mayor and Council Compensation Advisory Commission to study and make recommendations on the compensation and benefits for the Mayor and members of the District of Columbia Council. The legislation defines the composition, terms and duties of the Commission and requires it to submit a report on its recommendations to the Mayor and members of the Council on February 1 of each odd numbered year. The legislation authorizes the Commission to hire or contract for necessary staff and technical assistance, subject to the availability of appropriations. Members of the Commission are to serve without compensation.

In addition, the proposed legislation would increase the annual salary of the Mayor from \$152,000 to \$200,000; the annual salary of the Chairman from \$142,000 to \$190,000; and the annual salary of Councilmembers from \$92,530 to \$115,000.

Financial Plan Impact

The proposed legislation is subject to inclusion in an approved budget and financial plan. The costs of staff and technical assistance for the proposed Commission is subject to the availability of appropriations. The estimated costs of the proposed salary increases for the Mayor, Council Chair and Council members are described in the table below.

Figure 1.

Estimated Impacts to the Financial Plan (\$ in 000s)				
FY 2007	FY 2008	FY 2009	FY 2010	4 - Year Total
\$229	\$330	\$412	\$440	\$1,411