


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



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: January 22, 2020

SUBJECT: Fiscal Impact Statement – Compensation Agreement between
Department of Behavioral Health and the Psychologists Union of the
Department of Behavioral Health, Metropolitan District 1199DC,
National Union of Hospital and Healthcare Employees, American
Federation of State, Local and Municipal Employees, AFL-CIO, Chapter
3758 Emergency Approval Resolution of 2020

REFERENCE: Draft Resolution sent to the Office of Revenue Analysis on January 2,
2020

Conclusion

Funds are sufficient in fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the resolution. The resolution will cost \$535,000 in fiscal year 2020 and a total of \$1.5 million over the financial plan. Funds are available in the Workforce Investments agency to pay these costs.

Background

The resolution approves a compensation and working conditions agreement between the Department of Behavioral Health (DBH) and members of the DBH Psychologists Union, Metropolitan District 1199DC, National Union of Hospital and Healthcare Employees (NUHHE), American Federation of Station, Local and Municipal Employees (AFSCME), AFL-CIO, Chapter 3758. The agreement will affect approximately 32 clinical psychologists, including residents and interns.

The agreement will be retroactive to fiscal year 2018 and be effective through September 30, 2020. It includes salary increases of 3 percent in fiscal year 2018; 2 percent in fiscal year 2019 and 3 percent in fiscal year 2020. Metro transit benefits will increase from \$25 per month to \$50 per month. Annual reimbursements for continuing education and certification programs will increase from \$750 per employee to \$1250 per employee and apply from fiscal year 2019.

The Honorable Phil Mendelson

FIS: "Compensation Agreement between Department of Behavioral Health and the Psychologists Union of the Department of Behavioral Health, Metropolitan District 1199DC, National Union of Hospital and Healthcare Employees, American Federation of State, Local and Municipal Employees, AFL-CIO, Chapter 3758 Emergency Approval Resolution of 2020," Draft Resolution sent to the Office of Revenue Analysis on January 2, 2020

Financial Plan Impact

Funds are sufficient in fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the resolution. The resolution will cost a total of \$1.5 million over the financial plan. Funds are available in the Workforce Investments agency to pay these costs.

The salary increases will increase the compensation of approximately 32 full-time employees with an average base salary of about \$84,000 (total compensation of \$2.7 million). After fringe, transit and training benefits are included, the cost of the agreement will total \$535,000 in fiscal year 2020 (including retroactive salary increases), and an average of \$391,000 during each of fiscal years 2021 - 2023.

There is already a 1.75 percent cost increase incorporated into personnel costs in the financial plan. This amount is used toward the costs of the agreement.

Projected Cost of the Compensation and Working Conditions Agreement between DBH and Psychologists Union \$ in 000s					
	FY 2020	FY 2021	FY 2022	FY 2023	Total
Cost of salary increase ^(a)	\$493 ^(b)	\$306 ^(c)	\$365 ^(c)	\$424 ^(c)	\$1,588
Benefit increases	\$42	\$25	\$26	\$26	\$118
Total cost of agreement	\$535	\$331	\$391	\$450	\$1,707
Available in the financial plan for DBH ^(d)		(\$53)	(\$54)	(\$55)	(\$162)
Cost to be covered by Workforce Investments	\$535	\$279	\$335	\$395	\$1,545

Table notes:

- (a) Includes fringe rate of 12.65 percent.
- (b) Includes retroactive increases for fiscal year 2018 and fiscal year 2019.
- (c) Assumes salaries increase by 1.75 percent growth included in the financial plan.
- (d) Increase in personnel costs of 1.75 percent is built into the financial plan.