


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



**Fitzroy Lee**  
Interim Chief Financial Officer

**MEMORANDUM**

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

**FROM:** Fitzroy Lee  
Interim Chief Financial Officer 

**DATE:** October 28, 2021

**SUBJECT:** Fiscal Impact Statement – Compensation Agreement between the District of Columbia and the Office of the Attorney General and the American Federation of Government Employees, Local 1403, AFL-CIO (Compensation Unit 33) Approval Resolution of 2021

**REFERENCE:** Draft Introduction as provided to the Office of Revenue Analysis on October 12, 2021

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**Conclusion**

Funds are sufficient in the fiscal year 2022 through fiscal year 2025 budget and financial plan to implement the resolution. The resolution will cost about \$4.3 million in fiscal year 2022 and approximately \$14 million in local funds over the four-year budget and financial plan. Funds are available in the Workforce Investments agency to pay these costs.

**Background**

The resolution approves a compensation agreement between the Office of the Attorney General (OAG) and the American Federation of Government Employees, Local 1403, AFL-CIO, Compensation Unit 33. The compensation agreement covers approximately 350 OAG attorneys. It is in effect from October 1, 2020 through September 30, 2023.

The compensation agreement provides annual pay raises of 2.0 percent for each of fiscal years 2021 (retroactive), 2022, and 2023, and an additional fiscal year 2022 increase of 2.6 percent to account for pay parity with the Non-Union Legal Services Schedule. Employees are additionally eligible for a two percent bonus each year if they receive a rating of “excellent” or higher on their annual performance review. The retroactive pay increase and any applicable bonus apply to employees

The Honorable Phil Mendelson

FIS: "Compensation Agreement between the District of Columbia and the Office of the Attorney General and the American Federation of Government Employees, Local 1403, AFL-CIO (Compensation Unit 33) Approval Resolution of 2021," Draft Introduction as provided to the Office of Revenue Analysis on October 12, 2021

actively on the payroll as of the approval date, as well as employees who retired in fiscal year 2021<sup>1</sup> or retire in fiscal year 2022 prior to approval of the agreement.

Attorneys who provide court coverage on Saturdays, Sundays or holidays will receive time-and-a-half for Saturday hours and twice their hourly rate of pay for Sunday and holiday hours.<sup>2</sup>

### Financial Plan Impact

Funds are sufficient in the fiscal year 2022 through fiscal year 2025 budget and financial plan to implement. The resolution will cost about \$4.3 million in fiscal year 2022 and approximately \$14 million in local funds over the four-year budget and financial plan. Funds are available in the Workforce Investments agency to pay these costs.

The costs come from the increase in compensation for locally-funded attorneys (241 FTEs out of the 350 affected by the agreement). The compensation increase includes the 2.0 percent annual increases for fiscal years 2021 through 2023, the 2.6 percent pay parity increase, and the two percent annual performance bonus. We also estimate the impact of the pay increase on the fringe rate<sup>3</sup>.

<b>Projected Cost Increase for the Compensation Agreement between the District and OAG and the American Federation of Government Employees, Local 1403, AFL-CIO (Compensation Unit 33)</b>					
	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>Four-Year Total</b>
Salary increase <sup>a</sup> and bonus applicable to FY21	\$1,861,000				
FY22 and FY23 salary increases <sup>a</sup>	\$3,262,000	\$4,295,000	\$4,295,000	\$4,295,000	\$16,146,000
Performance Bonus <sup>b</sup>	\$917,000	\$935,000	\$0	\$0	\$1,851,000
Total Gross Funds Cost Increase	\$6,039,000	\$5,230,000	\$4,295,000	\$4,295,000	\$19,858,000
<b>Local Portion Cost</b>	<b>\$4,256,000</b>	<b>\$3,682,000</b>	<b>\$3,023,000</b>	<b>\$3,023,000</b>	<b>\$13,985,000</b>

Table notes

- a. Includes 12.6% fringe rate
- b. 2.0 percent performance bonus, assumed to apply to all employees, during the term of the contract.

<sup>1</sup> Five employees retired in fiscal year 2021.

<sup>2</sup> The agreement caps the total amount of Saturday and holiday pay for the agency at \$100,000 a year. Once OAG pays \$100,000 in Saturday and holiday pay, attorneys can receive compensatory time for additional Saturdays and holidays worked.

<sup>3</sup> Fringe includes costs for social security and Medicare taxes as well as employee benefits