

# THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito  
Speaker of the Council

Hon. Rafael L. Espinal Jr.  
Chair, Committee on Consumer Affairs



## Report on the Fiscal 2017 Preliminary Budget and the Fiscal 2016 Preliminary Mayor's Management Report Department of Consumer Affairs

March 21, 2016

Aliya Ali, Senior Legislative Financial Analyst  
Emre Edev, Assistant Director

### **Finance Division**

Latonia McKinney, Director  
Regina Poreda Ryan, Deputy Director  
Nathan Toth, Deputy Director  
Paul Scimone, Deputy Director

**Table of Contents**

Department of Consumer Affairs Overview ..... 1

Fiscal 2017 Preliminary Budget Highlights..... 1

Financial Summary ..... 4

Miscellaneous Revenue ..... 5

Program Areas ..... 6

    Adjudication ..... 6

    Administration ..... 8

    Licensing/Enforcement ..... 10

    Other than Personal Services (OTPS)..... 12

Appendix A: Budget Actions in the November and the Preliminary Plans..... 13

Appendix B: Contract Budget..... 14

## Department of Consumer Affairs Overview

The Department of Consumer Affairs (DCA or the Department) ensures that New York City's consumers and businesses benefit from a fair and vibrant marketplace. DCA licenses nearly 80,000 businesses in 55 industries and performs onsite inspections to ensure compliance with license regulations, weights and measures regulations, and the New York City Consumer Protection Law. DCA mediates and resolves individual consumer complaints, obtains restitution for consumers, and brings litigation and enforcement actions against repeat violators to halt deceptive advertising and trade practices. Through press releases and press conferences, public awareness campaigns, community outreach, public hearings, the 311 Customer Service Center, its website, and publications, DCA educates the public and businesses about their rights and responsibilities. DCA is tasked with enforcing the Paid Sick Leave Law. The agency educates New York City employers and employees about the law through extensive outreach and resolves complaints through mediation and prosecution to ensure that New York City workers get time off to take care of themselves and their families.

This report provides a review of the Department of Consumer Affairs Preliminary Budget for Fiscal 2017. In the first section, the highlights of the \$40.8 million Fiscal 2017 expense budget are presented.

The report then presents the Department's budget by program area and provides analysis of significant program areas, discusses initiatives included in the November and Preliminary Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2017. Finally, the appendices are included to highlight the Budget Actions in the November and Preliminary Plans and the Contract Budget.

## Fiscal 2017 Preliminary Budget Highlights

The City's Fiscal 2017 Preliminary Budget is \$82.1 billion, 4.6 percent more than the Fiscal 2016 Adopted Budget of \$78.5 billion. By comparison, DCA's Fiscal 2017 Preliminary Budget of \$40.8 million represents a decline of 1.1 percent from its Fiscal 2016 Adopted Budget of \$41.3 million. Despite this decline, DCA's Fiscal 2017 Preliminary Budget includes \$548,000 in new needs and a net reduction of \$454,000 in other adjustments (see Appendix A).

DCA Expense Budget						
<i>Dollars in Thousands</i>	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Personal Services	\$20,409	\$22,302	\$26,326	\$25,490	\$27,054	\$727
Other Than Personal Services	12,065	15,133	14,974	15,492	13,782	(1,193)
<b>TOTAL</b>	<b>\$32,474</b>	<b>\$37,435</b>	<b>\$41,301</b>	<b>\$40,982</b>	<b>\$40,835</b>	<b>(\$466)</b>

\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

### The key actions in the Preliminary Plan include:

- **Time Square Enforcement.** The Department added \$106,340 in Fiscal 2016 as part of a collaborative effort to improve public safety and quality of life in Times Square. The agency will regulate street vendors in a greater capacity and will provide visitors with

information on how to stay safe in Times Square. Funding was also added in the out years, albeit at a slightly higher amount of \$151,210 in Fiscal 2017 through 2019. In Fiscal 2016, two new positions were created, one being a licensing associate and the other a compliance coordinator. Of the \$106,340 in funding for Fiscal 2016, \$66,000 is for six-month salaries of the new hires. The remaining amount covers all Other Than Personal Services (OTPS) spending, including expenses for general office supplies and equipment, and printing and translation.

- **Synthetic Marijuana.** The Department added \$177,960 in Fiscal 2016 and \$261,265 in Fiscal 2017 through 2019 to enforce legislation empowering the Department to revoke, suspend and refuse to renew cigarette retail dealer licenses of businesses that sell synthetic drugs. In Fiscal 2016, three new positions were created which included a fitness review associate, a licensing attorney, and an associate inspector. Of the \$177,960 in funding for Fiscal 2016, \$99,000 is for the six-month salaries of the new hires. The remaining amount covers all OTPS spending, including expenses for work stations and equipment for the new employees and ongoing printing costs. Also included in the OTPS is a temporary IT resource to enhance DCA's internal system in order to share with and receive from other violation issuing agencies information on violations and judgements.
- **Car Wash Licensing.** The Department added \$355,930 in Fiscal 2016 and \$300,574 in Fiscal 2017 through 2019 to enforce the car wash accountability law that passed in June 2015. The law requires the agency to license and inspect New York City's car washes. In Fiscal 2016, five new positions were created, which included two licensing associates, a licensing attorney and two inspectors. Of the \$355,930 in funding for Fiscal 2016, \$141,343 is for the six-month salaries of the new hires. The role of the two licensing associates will be to examine applications for compliance with the law's requirements and to conduct robust background checks to ensure applicants are fit to hold a license. The licensing attorney will review applicants' criminal, civil and wage-related histories. The two inspectors will be responsible for the enforcement of the legislation and will be dedicated specifically for this. The remaining amount covers all Other Than Personal Services (OTPS), which include an enforcement vehicle for field inspections, general office supplies and printing, translation and mailing expenses.
- **DCA Tribunal's Transition to Office of Administrative Trials and Hearings (OATH).** Upon completion of the transfer, OATH will hear the categories of state law violations listed below, but pursuant to these state laws, will not issue final decisions. In these matters listed below, OATH will make recommendations to DCA. DCA will issue the final decision adopting, modifying or rejecting the recommendation on the state charges, and imposing the appropriate penalty. While DCA will continue to perform some adjudicatory functions, it will no longer have its own "tribunal". Six administrative law judges were transferred from DCA's tribunal. Two were transferred to OATH, two to the Office of Labor Relations (OLR), one was transferred to Department of Design and Construction (DDC), and one was transferred to Department of Finance (DOF). As of February 12, 2016 there are only two administrative law judges on DCA's payroll. However, settlement officers will continue to work for DCA and all settlement

procedures will remain in place and the case support unit will continue to administer all document support processes.

Categories of state violations that will be heard at OATH include:

- ❖ Certain provisions of the Agriculture & Markets Law;
  - ❖ Collateral Loan Brokers;
  - ❖ Tobacco cases brought under the State Public Health Law; and
  - ❖ Certain provisions of the Employment Agency Law.
- **Childhood Savings Account (CSA) Grant.** The Preliminary Plan includes \$150,000 in Fiscal 2016 to hire a program director that will develop and implement a citywide college savings program to ensure that every child in New York has the means to save for post-secondary education.
  - **City Service Corps Fellow.** The Preliminary Plan includes funding for the Department's Office of Financial Empowerment in the amount of \$10,595 in Fiscal 2016 and \$2,805 in Fiscal 2017 to employ a City Corps Fellow to assist with the City's annual tax season initiative. Funding was transferred from DCA's budget to NYC Service for this undertaking.
  - **HPD Intra-City for FSS Funds.** The Department's Office of Financial Empowerment has an MOU with the Department of Housing Preservation and Development (HPD) for DCA to provide financial counseling services to HPD's Family Self Sufficiency program (FSS) clients. The Preliminary Plan includes a transfer from HPD of \$97,574 in Fiscal 2016 to DCA for the counseling services.
  - **Savings Initiative.** The Preliminary Plan includes \$1 million in savings as a part of the City's Fiscal 2016-2017 savings initiative. The savings come from a combination of PS accruals and delays in OTPS expenditures.

## Financial Summary

<b>DCA Financial Summary</b>						
<i>Dollars in Thousands</i>						
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Preliminary Plan</b>		<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>2016</b>	<b>2017</b>	<b>2016 - 2017</b>
<b>Spending</b>						
Personal Services	\$20,409	\$22,302	\$26,326	\$25,490	\$27,054	\$727
Other Than Personal Services	12,065	15,133	14,974	15,492	13,782	(1,193)
<b>TOTAL</b>	<b>\$32,474</b>	<b>\$37,435</b>	<b>\$41,301</b>	<b>\$40,982</b>	<b>\$40,835</b>	<b>(\$466)</b>
<b>Budget by Program Area</b>						
Adjudication	\$2,807	\$2,451	\$3,350	\$2,242	\$2,857	(\$493)
Administration	5,762	7,003	6,833	6,854	7,157	325
Licensing/Enforcement	11,840	12,848	16,144	16,394	17,040	896
Other Than Personal Services	12,065	15,133	14,974	15,492	13,782	(1,193)
<b>TOTAL</b>	<b>\$32,474</b>	<b>\$37,435</b>	<b>\$41,301</b>	<b>\$40,982</b>	<b>\$40,835</b>	<b>(\$466)</b>
<b>Funding</b>						
City Funds			\$37,314	\$36,627	\$36,837	(\$477)
Other Categorical			0	150	0	0
State			1,983	2,103	1,955	(28)
Intra City			2,004	2,101	2,043	39
<b>TOTAL</b>	<b>\$32,474</b>	<b>\$37,435</b>	<b>\$41,301</b>	<b>\$40,982</b>	<b>\$40,835</b>	<b>(\$466)</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	348	367	435	440	439	4
<b>TOTAL</b>	<b>348</b>	<b>367</b>	<b>435</b>	<b>440</b>	<b>439</b>	<b>4</b>

*\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

For DCA, the Fiscal 2017 Preliminary Budget includes \$40.8 million in Fiscal 2017 (including City and Non-City funds). The decrease of \$466,000 from the Fiscal 2016 Adopted Budget can be attributed mostly to the decrease of certain agency positions, offset by the collective bargaining increase, an increase for enforcement of the Car Wash Accountability Act, and additional Times Square enforcement.

Overall, the agency's headcount increased by four between the release of the Fiscal 2016 Adopted Budget and the Fiscal 2017 Preliminary Budget.

The headcount increase is a result of the following changes:

- Three new positions to enforce legislation empowering DCA to revoke, suspend and refuse to renew Cigarette Retail Dealer licenses connected to businesses that are guilty of selling synthetic drugs;
- Two new positions to improve public safety and regulation in Times Square;
- Five new positions to implement and enforce the Car Wash Accountability Law which requires the agency to license and inspect New York City's car washes;
- One new position which was a result of a technical adjustment that converted one Small Business First position to two separate positions at no cost;
- One position received in connection with the Childhood Saving Account Grant that is slated to come out of the budget in Fiscal 2017; and
- six positions eliminated as part of the DCA tribunal's transition to OATH. Six administrative law judges have been re deployed to other city agencies.

With these changes, the agency's headcount as proposed will be 439 in Fiscal 2017. This represents an increase of 26 percent over the 348 positions in the Fiscal 2014 Adopted Budget. This rise in headcount can be misleading since not all 101 positions are newly added agency positions. Approximately 50 percent of this growth is attributed to:

- (1) existing State funded Tobacco positions that temporarily come out of the budget at end of Fiscal 2014 and shortly reappear early Fiscal 2015 upon renewal of the State contract; and
- (2) a technical adjustment to convert the agency's active full-time equivalent per-diem personnel to full-time staff members.

The agency's headcount further expanded to make room for new positions associated with the implementation of NYC's Paid Sick Leave Law, Transit Benefits Law, Cure Law, and Small Business First initiatives.

## Miscellaneous Revenue

<b>DCA Miscellaneous Revenue Budget Overview</b>						
<i>Dollars in Thousands</i>						
Revenue Sources	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Licenses, Permits and Franchises	\$20,598	\$20,679	\$17,178	\$17,178	\$16,632	(\$546)
Charges for Services	1,495	1,301	1,288	1,224	1,166	(122)
Fines and Forfeitures	15,863	10,655	9,300	9,300	9,300	0
Miscellaneous	306	517	215	215	215	0
<b>TOTAL</b>	<b>\$38,262</b>	<b>\$33,152</b>	<b>\$27,981</b>	<b>\$27,917</b>	<b>\$27,313</b>	<b>(\$668)</b>

*\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

DCA is a revenue-generating agency and the majority of its income is derived from licenses, permits, and franchise fees. DCA plans to collect approximately \$27.3 million from various miscellaneous revenue sources in Fiscal 2017. DCA exceeded the Mayor's goal of reducing fine revenue by \$5 million in Fiscal 2015 through its implementation of nearly two dozen reforms to ease onerous fines on businesses. DCA now allows businesses to choose which language inspections are conducted and has introduced internal mapping technology so enforcement efforts are distributed equitably throughout the City.

Revenue generated in Fiscal 2017 is expected to be \$668,000 less than forecast for Fiscal 2016 when that budget was adopted. This decline is a product of a combination of factors. License fees fluctuate cyclically based on two-year licensing cycles and are \$423,000 less in odd fiscal years compared to even fiscal years. License fee revenue is projected to decline by an additional \$123,000 in Fiscal 2017 as a result of the Small Business First initiative to eliminate outdated or unnecessary licenses and permits and to consolidate overlapping duplicative licenses and permits from the City Administrative Code and Rules. Expected revenues for scale inspection fees also drop in odd fiscal years when tow truck companies do not renew. All tow truck companies must have their trucks re-inspected during the license renewal process. Because the renewal period for this business category occurs in even fiscal years, the fees collected for tow truck re-inspections rise in even fiscal years and fall in odd fiscal years.

## Program Areas

### Adjudication

DCA's Adjudication program area conducts hearings, levies fines, and collects penalties resulting from violations of laws and regulations over which the Department has jurisdiction. This program area includes the following divisions: Collections, Settlement Unit, and Case Support Unit.

<b>Adjudication</b>						
<i>Dollars in Thousands</i>						
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Preliminary Plan</b>		<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>2016</b>	<b>2017</b>	<b>2016 - 2017</b>
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$89	\$101	\$42	\$42	\$42	\$0
Additional Gross Pay - Labor Reserve	0	10	0	0	0	0
Amounts to be Scheduled	0	0	8	8	11	4
Full-Time Salaried - Civilian	2,370	2,234	3,265	2,157	2,768	(497)
Overtime - Civilian	186	17	36	36	36	0
Unsalariated	161	88	0	0	0	0
<b>Subtotal</b>	<b>\$2,807</b>	<b>\$2,451</b>	<b>\$3,350</b>	<b>\$2,242</b>	<b>\$2,857</b>	<b>(\$493)</b>
<b>TOTAL</b>	<b>\$2,807</b>	<b>\$2,451</b>	<b>\$3,350</b>	<b>\$2,242</b>	<b>\$2,857</b>	<b>(\$493)</b>
<b>Funding</b>						
City Funds			\$3,350	\$2,242	\$2,857	(\$493)
<b>TOTAL</b>	<b>\$2,807</b>	<b>\$2,451</b>	<b>\$3,350</b>	<b>\$2,242</b>	<b>\$2,857</b>	<b>(\$493)</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	46	37	64	58	58	(6)
<b>TOTAL</b>	<b>46</b>	<b>37</b>	<b>64</b>	<b>58</b>	<b>58</b>	<b>(6)</b>

*\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The decrease of six positions represents transfers of six administrative law judges from DCA's tribunal to other agencies. Two were transferred to the Office of Administrative Trials and Hearings (OATH), two were transferred to the Office of Labor Relations (OLR), one was transferred to the Department of Design and Construction (DDC), and one was transferred to the Department of Finance (DOF). As of February 12, 2016 there are only two administrative law judges on DCA's payroll. However, settlement officers will continue to work for DCA and all settlement procedures will remain in place and the case support unit will continue to administer all document support processes.

The Department's Fiscal 2017 Preliminary Budget includes almost \$2.9 million for Adjudication, \$493,000 less than planned in the Fiscal 2016 Adopted Budget. The \$493,000 decrease is mostly due to reduction of six agency positions resulting in a decrease of spending by \$549,885 which is offset by a collective bargaining increase of \$56,443.

## Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Decisions issued in 30 days or less (%)	94%	95%	89%	90%	90%	97%	77%
Total settlements (\$000)	9,270	9,395	7,542	*	*	2,007	2,045
Number of fines collected within 45 days of assessment (%)	84%	81%	82%	80%	80%	82%	83%

When compared to the first four months of Fiscal 2015, in the first four months of Fiscal 2016 decisions issued in 30 days or less saw a decline to below the agency's target from 97 percent to 77 percent, while both the amount of total settlements and the number of fines collected within 45 days of assessment saw a slight movement upwards.

## Administration

DCA's Administration program area includes spending for operations, staffing, budgeting, materials management, and other internal administrative services. It includes Executive Staff, Data Analysis & Planning, Human Resources, Agency Services, Finance, General Services, General Counsel, Consumer Services, External Affairs, Communication & Marketing, and Information Technology.

<b>Administration</b>						
<i>Dollars in Thousands</i>						
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Preliminary Plan</b>		<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>2016</b>	<b>2017</b>	<b>2016 - 2017</b>
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$222	\$141	\$70	\$70	\$70	\$0
Additional Gross Pay - Labor Reserve	0	28	0	0	0	0
Amounts to be Scheduled	0	0	8	8	11	4
Full-Time Salaried - Civilian	4,735	6,636	6,740	6,761	7,061	321
Overtime - Civilian	224	51	15	15	15	0
P.S. Other	0	1	0	0	0	0
Unsalaries	581	146	0	0	0	0
<b>Subtotal</b>	<b>\$5,762</b>	<b>\$7,003</b>	<b>\$6,833</b>	<b>\$6,854</b>	<b>\$7,157</b>	<b>\$325</b>
<b>TOTAL</b>	<b>\$5,762</b>	<b>\$7,003</b>	<b>\$6,833</b>	<b>\$6,854</b>	<b>\$7,157</b>	<b>\$325</b>
<b>Funding</b>						
City Funds			\$6,833	\$6,854	\$7,157	\$325
<b>TOTAL</b>	<b>\$5,762</b>	<b>\$7,003</b>	<b>\$6,833</b>	<b>\$6,854</b>	<b>\$7,157</b>	<b>\$325</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	77	107	81	81	81	0
<b>TOTAL</b>	<b>77</b>	<b>107</b>	<b>81</b>	<b>81</b>	<b>81</b>	<b>0</b>

*\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget includes \$7.2 million for Administration, up slightly from the \$6.8 million in Fiscal 2016 Adopted Budget. This change is solely due to an increase in collective bargaining costs.

## Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Total docketed complaints	3,907	3,853	3,702	*	*	1,239	1,237
Resolved consumer complaints	3,800	3,873	3,495	*	*	1,134	1,371
Complaints processed - Within 0-20 days (%)	50%	52%	36%	35%	35%	45%	30%
- Within 21-50 days (%)	50%	47%	48%	50%	50%	54%	44%
- Within 51-90 days (%)	0%	1%	16%	10%	10%	1%	26%
Median complaint processing time (days)	21	20	27	28	28	22	36
Restitution awarded (\$000)	7,223	3,588	6,189	4,500	4,500	1,608	1,464
Mediated complaints resolved to the satisfaction of the business and consumer (%)	62%	62%	62%	62%	62%	61%	63%
Businesses educated through direct outreach	11,217	34,865	22,659	*	*	NA	NA
Percent meeting time to first action - Consumer Complaint - Exchange/Refund/Return (4 days)	97%	70%	83%	85%	85%	83%	85%
Percent meeting time to first action - Consumer Complaint - False Advertising (4 days)	97%	69%	84%	85%	85%	87%	81%
Percent meeting time to first action - Consumer Complaint - Non-Delivery Goods/Services (4 days)	96%	71%	82%	85%	85%	84%	81%
Percent meeting time to first action - Consumer Complaint - Overcharge (4 days)	96%	71%	82%	85%	85%	86%	82%

The number of complaints docketed for mediation remained stable when compared to last year. However DCA's median complaint processing time in the first four months of Fiscal 2016 far exceeded the target of 28 days, and complaints processed within 20 days fell five percent below the thirty five percent target. This is because the Department implemented a policy to keep cases open longer to pursue additional mediation and achieve better outcomes. Total restitution awarded is down nine percent in the transition process of the tribunal consolidation with the Office of Administrative Trials and Hearings.

## Licensing/Enforcement

DCA's Licensing/Enforcement program area oversees the Department's licensing enforcement and consumer services operations. Tasks range from the issuance of licenses to the regulatory and statutory enforcement of 55 different license categories, including the certification of weighing & measuring devices, and providing restitution to consumers through the mediation of complaints. This program area includes the following divisions: Licensing, Legal & Regulatory Compliance, Transit Benefits, Paid Sick Leave, and Office of Financial Empowerment.

<b>Licensing/Enforcement</b>						
<i>Dollars in Thousands</i>						
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Preliminary Plan</b>		<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>2016</b>	<b>2017</b>	<b>2016 - 2017</b>
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$234	\$177	\$205	\$185	\$185	(\$20)
Additional Gross Pay - Labor Reserve	0	25	0	0	0	0
Amounts to be Scheduled	0	0	31	31	45	14
Fringe Benefits	0	0	577	596	546	(31)
Full-Time Salaried - Civilian	10,352	12,254	15,223	15,432	16,135	911
Overtime - Civilian	456	129	107	150	128	21
Unsalariated	799	263	0	0	0	0
<b>Subtotal</b>	<b>\$11,840</b>	<b>\$12,848</b>	<b>\$16,144</b>	<b>\$16,394</b>	<b>\$17,040</b>	<b>\$896</b>
<b>TOTAL</b>	<b>\$11,840</b>	<b>\$12,848</b>	<b>\$16,144</b>	<b>\$16,394</b>	<b>\$17,040</b>	<b>\$896</b>
<b>Funding</b>						
City Funds			\$12,731	\$12,859	\$13,641	\$909
Other Categorical			0	150	0	0
State			1,784	1,757	1,732	(52)
Intra City			1,628	1,628	1,667	39
<b>TOTAL</b>	<b>\$11,840</b>	<b>\$12,848</b>	<b>\$16,144</b>	<b>\$16,394</b>	<b>\$17,040</b>	<b>\$896</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	225	223	290	301	300	10
<b>TOTAL</b>	<b>225</b>	<b>223</b>	<b>290</b>	<b>301</b>	<b>300</b>	<b>10</b>

*\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget includes \$17 million in Fiscal 2017 for licensing and enforcement, an \$896,000 increase when compared to the Fiscal 2016 Adopted Budget of \$16.1 million. The \$896,000 increase includes \$265,324 to enforce the Car Wash Accountability Act, \$135,960 to tighten enforcement in Times Square, and \$203,940 to enforce the ban on synthetic drugs. Other changes include a \$52,314 decrease due to the reduction in State grant funding for the Youth Tobacco Enforcement Program, and a \$342,999 collective bargaining increase.

The breakdown for the 10 new positions is as follows:

- Five positions to implement and enforce the Car Wash Accountability Act;
- Two positions to tighten enforcement in Times Square; and
- Three positions to implement licensing changes in response to ban on synthetic drugs.

## Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Total inspections	74,029	73,035	65,506	*	*	20,951	24,057
Total violations issued	23,326	19,888	11,923	*	*	3,397	4,291
Licensing Law compliance rate (%)	93%	93%	95%	93%	93%	95%	96%
Consumer Protection Law - refund and receipt compliance rate (%)	80%	81%	91%	80%	80%	91%	89%
Weights and Measures Law compliance rate - gasoline pumps (%)	97%	99%	99%	98%	98%	99%	99%
Weights and Measures Law compliance rate - fuel trucks (%)	80%	78%	70%	72%	72%	74%	68%
Inspected stores complying with tobacco regulations (%)	91%	92%	92%	90%	90%	93%	96%
Basic license application - Average processing time (days)	2	3	2	4	4	3	2
License applications received online (%)	27%	19%	20%	*	*	18%	19%
Licensing Center wait time (minutes)	11	16	13	15	15	7	8
Financial Empowerment Center clients - Percent achieving measurable success (%)	37.00%	39.00%	45.00%	*	*	NA	NA
- Total debt reduced (\$000) (cumulative)	14,497	23,893	33,088	*	*	27,578	36,490
- Total savings accumulated (\$) (cumulative)	1,995,846	2,987,936	3,596,836	*	*	3,192,908	4,024,073
Tax returns filed through citywide Tax Credit Campaign	NA	96,611	153,365	*	*	NA	NA
Paid Sick Leave (PSL) complaints received	NA	NA	583	*	*	257	116
PSL complaints closed	NA	NA	369	*	*	29	197
Average time to resolve all PSL complaints (calendar days)	NA	NA	33	*	*	27	85
Average time to resolve through settlement (calendar days)	NA	NA	42	*	*	27	33
Employees receiving restitution	NA	NA	97	*	*	2	7,939
Total amount of employee restitution (\$)	NA	NA	54,961	*	*	803	590,556
Total amount of PSL fines (\$)	NA	NA	50,050	*	*	0	315,377
Average customer in-person wait time (minutes)	12	16	13	17	17	NA	NA
Completed customer requests for interpretation	1,611	2,536	3,377	*	*	NA	NA
CORE customer experience rating (0-100)	86	94	95	83	83	NA	NA
Percent meeting time to first action - DCA / DOHMH New License Application Request - General Street Vendor License (7 days)	92%	92%	65%	85%	85%	95%	59%

DCA's licensing center served more than 34,000 customers in the first four months of Fiscal 2016; a nearly 15 percent increase from a year ago. Despite the increase, average customer wait times in the center, as well as license application processing time remained below target. DCA closed almost 200 Paid Sick Leave complaint cases in the first four months of Fiscal 2016, securing more than \$590,000 in restitution for almost 8,000 employees and over \$315,000 in fines resulting from complaints. Overall complaints were resolved in 85 days.

## Other than Personal Services (OTPS)

DCA's OTPS spending is for purchasing supplies, materials, and other services required to support the Department's operations.

<b>Other Than Personal Services</b>						
<i>Dollars in Thousands</i>						
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Preliminary Plan</b>		<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>2016</b>	<b>2017</b>	<b>2016 - 2017</b>
<b>Spending</b>						
<b>Other Than Personal Services</b>						
Contractual Services	\$1,043	\$1,008	\$233	\$668	\$230	(\$3)
Contractual Services - Professional Services	0	0	2	2	2	0
Fixed & Misc. Charges	24	9	1	5	1	0
Other Services & Charges	9,401	13,354	13,733	13,089	12,502	(1,231)
Property & Equipment	681	111	122	817	122	0
Supplies & Materials	916	651	884	910	926	41
<b>Subtotal</b>	<b>\$12,065</b>	<b>\$15,133</b>	<b>\$14,974</b>	<b>\$15,492</b>	<b>\$13,782</b>	<b>(\$1,193)</b>
<b>TOTAL</b>	<b>\$12,065</b>	<b>\$15,133</b>	<b>\$14,974</b>	<b>\$15,492</b>	<b>\$13,782</b>	<b>(\$1,193)</b>
<b>Funding</b>						
City Funds			\$14,400	\$14,672	\$13,183	(\$1,217)
State			199	347	224	24
Intra City			375	473	375	0
<b>TOTAL</b>	<b>\$12,065</b>	<b>\$15,133</b>	<b>\$14,974</b>	<b>\$15,492</b>	<b>\$13,782</b>	<b>(\$1,193)</b>

*\*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget includes \$13.8 million for Other Than Personal Services, \$1.2 million less than the Fiscal 2016 Adopted Budget of \$15 million. This change reflects a number of alterations to this program area's budget, including a \$1.1 decrease of funding received for the implementation of the Transit Tax Benefit which comes out of the budget at the end of Fiscal 2016, a \$655,348 decrease in the budget for Small Business First and a \$96,598 decrease as part of the citywide savings initiative.

## Appendix A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
<b>DCA Budget as of the Adopted 2016 Budget</b>	<b>\$37,314</b>	<b>\$3,986</b>	<b>\$41,300</b>	<b>\$36,714</b>	<b>\$4,025</b>	<b>\$40,739</b>
<b>New Needs</b>						
Hearing Officers	(\$116)	\$0	(\$116)	(\$165)	\$0	(\$165)
Synthetic Marijuana	178	0	178	261	0	261
Time Square Enforcement	106	0	106	151	0	151
Car Wash Licensing	356	0	356	301	0	301
Enforcement Vehicle Replacements	46	0	46	0	0	0
<b>Subtotal, New Needs</b>	<b>\$570</b>	<b>\$0</b>	<b>\$570</b>	<b>\$548</b>	<b>\$0</b>	<b>\$548</b>
<b>Other Adjustments</b>						
City Service Corps (DCA/OFA)	(\$11)	\$0	(\$11)	(\$3)	\$0	(\$3)
COLA Award	0	148	148	0	0	0
CSA Grant	0	150	150	0	0	0
DCA to OLR Transfer	(94)	0	(94)	(171)	0	(171)
OSA Collective Bargaining	48	0	48	59	0	59
State Tobacco Grant Adjustment	0	(28)	(28)	0	(28)	(28)
DCA Employee Transfer	(55)	0	(55)	(116)	0	(116)
Attorney Transfer	(49)	0	(49)	(98)	0	(98)
FSS	0	98	98	0	0	0
Savings Initiative	(1,097)	0	(1,097)	(97)	0	(97)
<b>Subtotal, Other Adjustments</b>	<b>(\$1,258)</b>	<b>\$368</b>	<b>(\$890)</b>	<b>(\$426)</b>	<b>(\$28)</b>	<b>(\$454)</b>
<b>TOTAL, All Changes</b>	<b>(\$688)</b>	<b>\$368</b>	<b>(\$320)</b>	<b>\$122</b>	<b>(\$28)</b>	<b>\$94</b>
<b>DCA Budget as of the Preliminary 2017 Budget</b>	<b>\$36,626</b>	<b>\$4,354</b>	<b>\$40,980</b>	<b>\$36,836</b>	<b>\$3,997</b>	<b>\$40,833</b>

## Appendix B: Contract Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personal service provided to the City by means of a contract. The Contract Budget is actually a subset of the OTPS portion of the City's Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. In January, it is prepared with the Departmental Estimates, and in late April it is submitted to the Council with the Executive Budget.

The following table provides the Department of Consumer Affairs Preliminary Contract Budget for Fiscal 2017.

<b>DCA Fiscal 2017 Preliminary Contract Budget</b>				
<i>Dollars in Thousands</i>				
<b>Category</b>	<b>Fiscal 2016 Adopted</b>	<b>Number of Contracts</b>	<b>Fiscal 2017 Preliminary</b>	<b>Number of Contracts</b>
Contractual Services - General	\$147,000	1	\$144,195	1
Prof. Services - Other	2,075	1	2,075	1
Security Services	59,429	2	59,429	2
Temporary Services	20,000	1	20,000	1
Training Program for City Employees	6,185	1	6,185	1
<b>TOTAL</b>	<b>\$234,689</b>	<b>6</b>	<b>\$231,884</b>	<b>6</b>

The City's Contract Budget totals \$13.16 billion in Fiscal 2017, a slight decrease of \$76.5 million when compared to the Fiscal 2016 Adopted Budget. The Department's Contract Budget totals \$231,884 in Fiscal 2017, a decrease of \$2,805, or 1.2 percent when compared to the Fiscal 2016 Adopted Budget of \$234,689. The decline is in the category of Contractual Services General from \$147,000 in the Fiscal 2016 Adopted Budget to \$144,195 in the Fiscal 2017 Preliminary Budget.