Fiscal 2009
Executive Budget Hearings

❖ Committee on Finance jointly with the Committee on Consumer Affairs

May 2008

Scheduled To Testify:

- *Department of Consumer Affairs*

Hon. Christine C. Quinn
Speaker of the Council

Hon. David I. Weprin, Chair
Committee on Finance

Hon. Leroy Comrie, Chair
Committee on Consumer Affairs

Preston Niblack, Director
Finance Division

New York City Council Finance Division

Preston Niblack
Director

Andy Grossman
Acting Deputy Director, Expense

Infrastructure & Education

Latonia McKinney
Assistant Director, Infrastructure & Education

Shadawn Smith
Analyst

DEPARTMENT OF CONSUMER AFFAIRS (866)

Agency Operations

The Department of Consumer Affairs (DCA) seeks to foster an honest marketplace. DCA resolves individual consumer complaints, obtains restitution for consumers, and sues recidivist vendors. DCA issues more than 63,000 licenses in 55 categories of businesses, and enforces license regulations, weights and measures regulations and the Consumer Protection Law through inspections. Through multiple media events, speaking engagements, public hearings, its Website and brochure distribution, DCA ensures that the public and businesses are educated about their rights and responsibilities under the Consumer Protection and License Laws.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	$18,039,097	$18,039,097	$14,871,984	$18,648,641
Other Categorical	$0	$0	$0	$0
Capital IFA	$0	$0	$0	$0
State	$117,180	$117,180	$117,180	$117,180
Community Development	$0	$0	$0	$0
Federal-Other	$0	$0	$0	$0
Intra-City	$1,295,076	$3,600,853	$1,295,076	$1,295,076
Total	**$19,451,353**	**$21,757,130**	**$16,284,240**	**$20,060,897**

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	286	272	239	239
Non-City	0	0	0	0
Total	**286**	**272**	**239**	**239**

AGENCY HIGHLIGHTS

The Fiscal 2009 Preliminary Budget proposes $20 million in City-tax levy funding for the Department of Consumer Affairs, a $610,000 increase when compared to the Fiscal 2008 Adopted Budget. This increase reflects collective bargaining costs. The State funding of $117,180 is to conduct gasoline fuel inspections.

UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The City Charter requires that U/As represent the amount appropriated for Personal Services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity, or institution.

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
001	Administration	$1,993,762	$1,993,762	$2,012,463	$2,015,660
002	Licensing/Enforcement	$10,984,360	$11,205,465	$9,080,352	$10,299,847
004	Adjudication	$2,051,124	$2,051,124	$2,069,318	$2,075,394
	Total PS	**$15,029,246**	**$15,250,351**	**$13,162,133**	**$14,390,901**
003	Other Than Personal Services	$4,422,107	$6,506,779	$3,122,107	$5,669,996
	Total OTPS	**$4,422,107**	**$6,506,779**	**$3,122,107**	**$5,669,996**
	Total Agency	**$19,451,353**	**$21,757,130**	**$16,284,240**	**$20,060,897**

FUNDING ANALYSIS

The increase in funding for the administration and adjudication unit of appropriation reflects collective bargaining costs. The decrease in funding for the licensing/enforcement unit of appropriation reflects the hiring freeze and vacancy reduction program as part of the City's cost-savings efforts. The increase in funding for the other than personal services unit of appropriation is for miscellaneous spending within the Department. More details are given in the executive budget action analysis.

EXECUTIVE BUDGET ACTIONS ($000)

	Fiscal 2008			Fiscal 2009		
Description	**City**	**Non-City**	**Total**	**City**	**Non-City**	**Total**
Agency Budget as per the Preliminary Plan	**$18,382**	**$2,305**	**$20,687**	**$14,872**	**$0**	**$14,872**
Other Adjustments						
Collective Bargaining	$48	$0	$48	$48	$0	$48
CEO - Remote Tax Preparation Sites	$0	$0	$0	$250	$0	$250
Financial Empowerment Office	$0	$0	$0	$2,480	$0	$2,480
Personal Services Accruals	($565)	$0	($565)	$0	$0	$0
Lease Adjustment	$0	$0	$0	$989	$0	$989
Heat, Light, and Power	($4)	$0	($4)	$10	$0	$10
Miscellaneous	$0	$3,717	$3,717	$0	$1,412	$1,412
Total Other Adjustments	**($521)**	**$3,717**	**$3,196**	**$3,777**	**$1,412**	**$5,189**
Total Executive Budget Plan Changes	$17,861	$3,717	$21,578	$18,649	$1,412	$20,061
Agency Budget as per the Executive Budget	**$17,861**	**$3,717**	**$21,578**	**$18,649**	**$1,412**	**$20,061**

EXECUTIVE BUDGET ACTION ANALYSIS

Other Adjustments

- **Collective Bargaining.** There is an increase of $48,000 in Fiscal 2009 and in the outyears for collective bargaining costs.

- **CEO – Remote Tax Preparation Sites.** The Department needs $250,000 in Fiscal 2009 only to cover contractual costs with licensed tax preparers to assist low-income residents in preparing their tax returns with a focus on receiving the EITC credit.

- **Financial Empowerment Office.** The Department needs $2.5 million in Fiscal 2009 only for the Office of Financial Empowerment (OFE) to maintain its current staffing level and programs. OFE works to empower low income communities through five interconnected priorities: financial capacity, financial education, watchdog protection, strategic partnerships and best practices.

- **Lease Adjustment.** The Department anticipates an increase in lease costs of $989,000 in Fiscal 2009 and in the outyears.

- **Heat, Light, and Power.** Based on re-estimates, the Department anticipates an increase of $10,000 in Fiscal 2009 and in the outyears for heat, light, and power costs.

- **Miscellaneous.** The Miscellaneous allocation of $1.4 million reflects intra-city transfers and state funding for gasoline pump inspections in Fiscal 2009 only.