



**New York City Council**

Christine C. Quinn, Speaker

**Finance Division**

Preston Niblack, Director

Jeffrey Rodus, First Deputy Director

**Hearing on the Mayor's Fiscal Year 2011 Preliminary Budget**

**Department of Emergency Management**

March 11, 2010

**Committee on Public Safety**

Hon. Peter F. Vallone Jr., Chair

Andy Grossman, Deputy Director, Finance Division

Lionel Francois, Legislative Financial Analyst

## Summary and Highlights

### Department of Emergency Management

*Dollars in Thousands*

	<b>2008 Actual</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2010 Jan. Plan</b>	<b>2011 Preliminary</b>	<b>Difference 2010 – 2011</b>
Personal Services	\$7,518	\$8,881	\$4,060	\$24,537	\$4,225	\$165
Other than Personal Services	10,280	11,112	15,736	57,472	3,409	(12,327)
<b>Total</b>	<b>\$17,798</b>	<b>\$19,993</b>	<b>\$19,796</b>	<b>\$82,009</b>	<b>\$7,634</b>	<b>(\$12,162)</b>

The Department of Emergency Management (OEM) will propose a Fiscal 2011 Preliminary Budget totaling \$7.6 million which is \$12.2 million below its \$19.8 million Adopted Budget for Fiscal 2010. The Fiscal 2011 Preliminary Budget is also \$74.4 million below the Department's Fiscal 2010 January Plan appropriation of \$82 million, a reduction of approximately 90%.

### Highlights of OEM's Fiscal 2011 Preliminary Budget:

- The OEM proposes to implement a Program to Eliminate the Gap (PEG) reduction program in the Fiscal 2011 Preliminary Budget totaling \$71,000 in Fiscal 2011.
- The Council has designated \$1 million in funding to OEM to implement an emergency preparedness program. The American Red Cross in Greater New York was chosen as the provider for this initiative.

# Department of Emergency Management

The Office of Emergency Management (OEM) coordinates and supports multiagency responses to, and regularly monitors, emergency conditions and other potential incidents that affect public health and safety in the City, including severe weather, natural hazards and disasters, power outages, transportation incidents, labor disruptions, aviation disasters and acts of terrorism. OEM develops and continually revises many of the City’s emergency response plans, including those for coastal storms, extreme winter weather, heat emergencies, power disruptions, and debris management. OEM educates residents and businesses on the need for preparedness and supports the efforts of City and other government agencies and private and non-profit entities in emergency planning, interagency training and exercises and business continuity planning. OEM operates the City’s Emergency Operations Center and makes recommendations about the City’s emergency response capabilities. As the City’s primary liaison with the U.S. Department of Homeland Security for consequence management, OEM oversees the City’s compliance with federal preparedness and emergency response requirements.

- Key Public Service Areas**
- Coordinate and support multi-agency response to complex or large-scale emergency conditions.
  - Ensure City government’s preparedness in the event of an emergency or other incident affecting citizens’ health and safety.
  - Prepare New York City residents and private sector entities for emergency situations through outreach and education.

- Critical Objectives**
- Initiate multi-agency responses to emergency conditions.
  - Ensure that the Citywide Incident Management System protocol is followed by all City agencies.
  - Conduct citywide drills.
  - Support City agency emergency preparedness.
  - Increase volunteerism and citizen emergency preparedness.
  - Promote private sector emergency preparedness and business continuity efforts.

SOURCE: Mayor’s Management Report

## Department of Emergency Management Financial Summary

Dollars in Thousands

	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Preliminary	Difference 2010 – 2011
<b>Budget by Program Area</b>						
Personal Services	\$7,518	\$8,881	\$4,060	\$24,537	\$4,225	\$165
Other Than Personal Services	10,280	11,112	15,736	57,472	3,409	(12,327)
<b>TOTAL</b>	<b>\$17,798</b>	<b>\$19,993</b>	<b>\$19,796</b>	<b>\$82,009</b>	<b>\$7,634</b>	<b>(\$12,162)</b>
<b>Funding</b>						
City Funds			\$18,008	\$17,459	\$5,733	(\$12,275)
<i>Memo: Council Funds</i>			1,000	1,000	0	(1,000)
Federal – Other			1,635	62,571	1,900	265
Intra-City			153	153	0	(153)
Other Categorical			0	186	0	0
State			0	1,641	0	0
<b>TOTAL</b>	<b>\$17,798</b>	<b>\$19,993</b>	<b>\$19,796</b>	<b>\$82,009</b>	<b>\$7,634</b>	<b>(\$12,162)</b>
<b>Positions</b>						
Fulltime Positions	98	106	34	38	32	(2)
<b>TOTAL</b>	<b>98</b>	<b>106</b>	<b>34</b>	<b>38</b>	<b>32</b>	<b>(2)</b>

## **Expense Budget Highlights**

The Department of Emergency Management (OEM) proposes a Fiscal 2011 Preliminary Budget totaling \$7.6 million which is \$12.2 million below its \$19.8 million Adopted Budget for Fiscal 2010. The Fiscal 2011 Preliminary Budget is also \$74.4 million below the Department's Fiscal 2010 January Plan appropriation of \$82 million, a reduction of approximately 90%. This precipitous decline in funding is part of a normal funding pattern for the OEM. While city funds will represent the bulk of the Department's Adopted Budget funding, its mid-year or "modified" budget will include a large infusion of federal grant funds. These funds are usually related to emergency preparedness activities. The fluctuation also reflects the fact that these funds are not typically baselined but are appropriated through a funding process that is driven by the federal fiscal year (FFY) and not the City's fiscal year and are usually re-applied for each year by the Department. Since the funding process does not correspond to the City's budget cycles, the Department cannot include these funds as part of its financial planning process. A large portion of these funds pay for personnel. Therefore, a significant portion of the Department's headcount is grant-funded as well which is also reflected in corresponding fluctuations to its headcount levels.

## Personal Services (PS) & Other Than Personal Services (OTPS)

<i>Dollars in Thousands</i>	2008 Actual	2009 Actual	2010 Adopted	2010 January Plan	2011 January Plan	Difference 2010 - 2011
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried - Uniformed	\$30	\$3	\$0	\$0	\$0	\$0
Full-Time Salaried - Civilian	6,261	7,468	4,229	18,280	4,408	179
Other Salaried and Unsalariated	262	149	124	124	125	1
Additional Gross Pay	31	28	5	5	5	0
Overtime - Civilian	933	1,233	99	3,478	84	(15)
Fringe Benefits	0	0	0	2,637	0	0
Amounts to be Scheduled	0	0	(397)	12	(397)	0
<b>Subtotal, PS</b>	<b>\$7,518</b>	<b>\$8,881</b>	<b>\$4,060</b>	<b>\$24,537</b>	<b>\$4,225</b>	<b>\$165</b>
<b>Other Than Personal Services</b>						
Supplies and Materials	\$634	\$879	\$1,306	\$8,835	(\$58)	(\$1,364)
Property and Equipment	717	881	251	4,378	251	0
Other Services and Charges	4,644	5,242	13,916	4,515	2,952	(11,009)
Contractual Services	4,255	4,102	263	39,741	263	0
Fixed and Misc Charges	30	7	0	2	0	0
<b>Subtotal, OTPS</b>	<b>\$10,280</b>	<b>\$11,112</b>	<b>\$15,736</b>	<b>\$57,472</b>	<b>\$3,409</b>	<b>(\$12,327)</b>
<b>TOTAL</b>	<b>\$17,797</b>	<b>\$19,993</b>	<b>\$19,796</b>	<b>\$82,009</b>	<b>\$7,633</b>	<b>(\$12,162)</b>
<b>Funding</b>						
City Funds			\$18,008	\$17,459	\$5,733	(\$12,275)
<i>Memo: Council Funds</i>			1,000	1,000	0	(1,000)
Federal – Other			1,635	62,571	1,900	265
Intra-City			153	153	0	(153)
Other Categorical			0	186	0	0
State			0	1,641	0	0
<b>TOTAL</b>	<b>\$17,797</b>	<b>\$19,993</b>	<b>\$19,796</b>	<b>\$82,009</b>	<b>\$7,634</b>	<b>(\$12,162)</b>
<b>Positions</b>						
Full-Time Positions	98	106	34	38	32	(2)
<b>TOTAL</b>	<b>98</b>	<b>106</b>	<b>34</b>	<b>38</b>	<b>32</b>	<b>(2)</b>

The largest single variance within the Department's budgets involves the increase in full-time salaries between the Fiscal 2010 Adopted budget and the Fiscal 2010 January Plan: In this case, a four-fold increase in funding (432%). That is because each year, like many other agencies that receive significant grant funding as part of their appropriation, OEM modifies its Adopted budget to reflect receipt of these funds which are never included as part of the Department's Adopted budget appropriations. This causes a mid-year spike in its appropriation which is also reflected in its current modified appropriations. The bulk of these funds are used for grant-funded personnel of various kinds.

### Council Initiatives and Funding

The Council provided funding for the following initiative for FY 2010:

<b>FY 2010 Council Funding</b>	
<i>Dollars in Thousands</i>	
<b>Emergency Preparedness</b>	
American Red Cross in Greater New York	\$1,000
<b>TOTAL</b>	<b>\$1,000</b>

This item restores \$1 million to fund emergency preparedness services. The Council has designated the American Red Cross in Greater New York as the provider for this initiative.

### Performance Measures

- Coordinate and support multi-agency response to complex or large-scale emergency conditions.

	FY 07	FY 08	FY 09	FY 10 4-Month Actual	Target FY 11
Total incident responses	2,471	2,531	2,748	974	*
- On-site coordination	257	350	576	178	*
- Monitored from OEM Watch Command	2,214	2,181	2,172	796	*
Emergency Operations Center activations	11	10	7	8	*

*\*No target number was published for this indicator.*

- Ensure City government’s preparedness in the event of an emergency or other incident affecting citizens’ health and safety.

	FY 07	FY 08	FY 09	FY 10 4-Month Actual	Target FY 11
Field exercises/drills	5	5	9	1	4
Tabletop exercises	5	9	5	2	4
Employees trained in emergency response	1,174	1,719	977	663	1,000
Percentage of emergency response training goal met (%)	51%	172%	98%	44%	*

*\*No target number was published for this indicator.*

- Prepare New York City residents and private sector entities for emergency situations through outreach and education.

	FY 07	FY 08	FY 09	FY 10 4-Month Actual	Target FY 11
Emergency preparedness education of residents - by OEM staff	4,092	2,428	8,940	2,734	5,000
- by Agency partners using OEM curriculum	NA	17,626	8,941	1,333	*
Emergency preparedness education of private/non-profit/government groups	4,508	2,849	2,134	794	2,400
New Community Emergency Response Team (CERT) members trained	NA	NA	17	0	*
CERT volunteer hours	7,454	11,687	17,698	6,750	*

*\*No target number was published for this indicator.*

### Performance Measure Highlights

- During the first four months of Fiscal 2010, OEM responded to 19 percent more incidents compared to the same period of Fiscal 2009, experiencing a 29 percent increase in incidents monitored from Watch Command. OEM began increasing Watch Command monitoring of aviation incidents beginning in the second half of Fiscal 2009.
- The total number of exercises and drills decreased during the first four months of Fiscal 2010, reflecting OEM’s planning efforts for exercises that will occur later this year and in future years. During the reporting period OEM developed a multi-year exercise plan, with at least one field and six tabletop exercises planned for the remainder of Fiscal 2010.
- OEM significantly increased its emergency response training goal for Fiscal 2010; consequently the percentage of the goal met during the reporting period is down compared to the same period last year. The agency is on track to meet the new goal.
- The number of residents that received preparedness education by OEM staff increased 53 percent due to a partnership with the Department of Education on the new Ready Schools initiative to educate school children in emergency preparedness. The number of private/not-for-profit/ government organizations that received preparedness education by OEM staff decreased 31 percent during the reporting period due to the agency’s dedication of staff resources to the City’s H1N1 influenza planning and response operations.

### Relevant Budget Actions

- **PS Funding Shift.** The Department would shift costs from city funds for two positions to federal funds and use the savings to meet its PEG target beginning in Fiscal 2011 with a total savings of \$207,000 growing to \$209,000 in Fiscal 2012, \$210,000 in Fiscal 2013 and \$212,000 in fiscal 2014. These savings include credit for fringe benefits costs. The federal grant refers to the Local Emergency Management Performance Grant (LEMPG) which is fairly flexible in its requirements.

- **Telecom Funding Shift.** The Department proposes to utilize various anticipated grant funds to pay for basic telecommunications needs. Funds totaling \$364,000 in Fiscal 2011, \$362,000 in 2012, \$361,000 in 2013 and \$359,000 in 2014 would generate equivalent city funds savings in these fiscal years.
- **Coastal Storm Plan Reduction.** The Department proposes to reduce funds for coastal storm planning activities by \$766,000 in Fiscal 2010.
- **Collective Bargaining for Managers and Original Jurisdiction (OJ) Employees.** The Department's Preliminary Budget includes an annual baseline increase in City funds of approximately \$217,000 beginning in Fiscal 2010 for collective bargaining adjustments for managerial and OJ titles throughout the Department. These funds would be transferred from the Labor Reserve in the Miscellaneous Budget to the Department's budget to cover the costs associated with recent collective bargaining settlements.
- **Federal Funds for Evacuation Planning.** The Department would receive \$12.9 million for Fiscal 2010 in federal funds to fund activities and purchase goods and supplies related to evacuation planning activities.
- **Urban Area Security Initiative (UASI) Grant Funds.** The Department would receive \$5 million in federal grant funding in Fiscal 2010 from the Department of Homeland Security (DHS) under the UASI program for various emergency preparedness and planning initiatives including "Notify NYC" and the "Ready NY Campaign".



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

<i>Dollars in Thousands</i>	FY 2010			FY 2011		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as of June 2009 Plan</b>	<b>\$17,000</b>	<b>\$1,788</b>	<b>\$18,788</b>	<b>\$6,051</b>	<b>\$1,639</b>	<b>\$7,690</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
Coastal Storm Plan Reduction	(766)	0	(766)	0	0	0
PS Funding Shift	0	0	0	(207)	0	(207)
Telecom Funding Shift	0	0	0	(364)	0	(364)
<b>Total, PEGs</b>	<b>(766)</b>	<b>0</b>	<b>(766)</b>	<b>(571)</b>	<b>0</b>	<b>(571)</b>
<b>Other Adjustments</b>						
Emergency Preparedness Program	\$1,000	\$0	\$1,000	\$0	\$0	\$0
City Council Initiatives (CERT)	8	0	8	0	0	0
Fringe Offset	0	0	0	36	0	36
CB for Managers & OJ's	217	260	477	217	260	477
Federal Grants	0	60,675	60,675	0	0	0
State Grants	0	1,641	1,641	0	0	0
Other Categorical Grants	0	186	186	0	0	0
<b>Total, Other Adjustments</b>	<b>\$1,225</b>	<b>\$62,762</b>	<b>\$63,987</b>	<b>\$253</b>	<b>\$260</b>	<b>\$513</b>
<b>Agency Budget as of January 2010 Plan</b>	<b>\$17,459</b>	<b>\$64,550</b>	<b>\$82,009</b>	<b>\$5,733</b>	<b>\$1,899</b>	<b>\$7,632</b>