

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. Elizabeth Crowley
Chair, Committee on Fire and Criminal Justice Services



Report of the Finance Division on the
Fiscal 2018 Preliminary Budget and the
Fiscal 2017 Preliminary Mayor's Management Report for the
Office of Emergency Management

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Department of Emergency Management Overview

The Office of Emergency Management (NYCEM or the Office) 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. NYCEM educates residents and businesses about the need for emergency preparedness; develops and updates emergency response plans for the City and makes recommendations to agencies and the administration about the City's emergency response capabilities. The Office supports the efforts of government agencies, private, and not-for-profit entities in emergency planning, interagency training and exercises and business continuity planning; and manages the City's Emergency Operations Center, which includes the 24/7/365 Watch Command and Emergency Management response program. As the City's primary liaison with the U.S. Department of Homeland Security for consequence management. NYCEM oversees the City's compliance with federal preparedness and emergency response requirements.

This report provides a review of NYCEM's Preliminary Budget for Fiscal 2018. In the first section, the highlights of the \$24.1 million Fiscal 2018 expense budget are presented in a Financial Summary chart that details NYCEM's budget by unit of appropriation, funding source, and headcount. This follows an analysis of significant financial plan actions included in the November and Preliminary Financial Plans. This is followed by a review of relevant sections of the Preliminary Mayor's Management Report for Fiscal 2017. NYCEM does not have a Capital Budget.

Financial Plan Summary

NYCEM's budget consists of two units of appropriation (UA). They are U/A – 001 Personal Services (PS) and U/A – 002 Other Than Personal Services (OTPS). The following table provides an overview of NYCEM's actual expenditures for Fiscal 2015 and Fiscal 2016, the Adopted Budget for Fiscal 2017, and planned expenditures for Fiscal 2017 and Fiscal 2018 as proposed in the Fiscal 2018 Preliminary Plan.

NYCEM Financial Summary						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services	\$11,601	\$13,919	\$18,282	\$22,623	\$6,128	(\$12,154)
Other Than Personal Services	23,437	21,752	41,372	47,350	17,960	(23,412)
TOTAL	\$35,038	\$35,671	\$59,654	\$69,972	\$24,087	(\$35,566)
Funding						
City Funds			\$39,524	\$40,054	\$23,143	(\$16,381)
Other Categorical			0	123	0	0
State			0	888	0	0
Federal - Other			20,129	28,244	944	(19,186)
Intra City			0	664	0	0
TOTAL	\$35,038	\$35,671	\$59,654	\$69,972	\$24,087	(\$35,566)
Budgeted Headcount						
Total Full-Time Positions	150	159	156	161	58	(98)

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The NYCEM's Fiscal 2018 Preliminary Budget totals \$24.1 million (including City and non-City funds). The NYCEM's Fiscal 2018 Preliminary Budget is \$35.6 million or 60 percent less than the Fiscal 2017 Adopted Budget of \$59.6 million. This includes a decrease of \$12 million in Personal Services (PS) and \$23.4 million in Other Than Personal Services (OTPS).

Since the adoption of the Fiscal 2017 budget, the Financial Plans have introduced several changes to NYCEM's Fiscal 2017 and 2018 budgets. For Fiscal 2017, these include new needs of \$1.3 million and other adjustments of \$9.1 million. For Fiscal 2018, these include new needs of \$1.3 million, offset by other adjustments of \$117,000.

NYCEM receives a number of federal grants, but these are not reflected in the NYCEM's Fiscal 2018 Preliminary Budget and account for the large decrease between the current budget and the proposed Fiscal 2018 budget. Federal funds are not baselined, but are modified into the agency's budget on a year-by-year basis as grants are awarded. The exact number of grants that the agency anticipates in Fiscal 2018 will not be known until after grant requests are approved and awarded. As of the Fiscal 2018 Preliminary Budget, NYCEM has recognized \$944,000 in federal grants, of which \$717,000, or 76 percent, are from the Urban Areas Security Initiative (UASI) funded by the Federal Emergency Management Agency (FEMA). The UASI program is one of the primary grants the Agency receives and funds are used to assist high-threat, high-density urban areas in efforts to build and sustain the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism. Similarly, NYCEM's annual headcount also experiences changes. The Financial

Summary chart on the previous page shows NYCEM with a Fiscal 2017 Adopted Budget headcount of 156, decreasing to 58 positions in the Fiscal 2018 Preliminary Budget. This is in part because a large portion of NYCEM's headcount is grant-funded and changes with NYCEM's grant funding during the course of the fiscal year.

Financial Plan Actions

The Fiscal 2018 Preliminary Budget did not present any new needs, but recognized one-time savings in the amount of \$198,000 in Fiscal 2017. All of NYCEM's new needs were recognized in the November Plan.

Citywide Savings

- **Flood Barrier Savings.** The Fiscal 2018 Preliminary Plan identified one-time savings in the amount of \$198,000 in Fiscal 2017 for Flood Barrier protection. According to NYCEM, it will utilize an existing contract with Department of Citywide Administrative Services (DCAS) for the Interim Flood Protection Project. Rather than releasing a Request for Proposal (RFP), NYCEM was able to use the already competitively bid prices to start this project earlier than originally forecasted.

New Needs

- **Charitable Organization and House of Worship Recovery Task Force.** The November Plan included \$65,000 in Fiscal 2017 and baseline funding of \$130,000 in Fiscal 2018 and in the outyears to hire two staff for the Charitable Organizations and House of Worship Recovery Task Force. Pursuant to Local Law 018 of 2015, NYCEM must create a task force to study the recovery and rebuilding of charitable organizations and house of worship in areas affected by Hurricane Sandy. According to the legislation, the task force will study how these organizations fared in the recovery process, how to improve their resilience and what role they might play in a future recovery. The task force is required to submit to the Mayor and the Speaker a report containing its findings and recommendations.
- **City Legislative Representative.** The November Plan added \$40,000 in Fiscal 2017 and baseline funding of \$80,000 in Fiscal 2018 and the outyears to hire a city legislative representative. According to NYCEM, the staff person will work with engaging the City Council and local leaders to prepare communities for emergencies.
- **Messaging Costs for Hurricanes Hermine and Matthew.** The November Plan included a one-time allocation of \$100,000 for Fiscal 2017 for additional messaging costs related to Hurricanes Hermine and Matthew. Funding was allocated to cover higher than anticipated costs related to messaging for Notify NYC for the two hurricanes from 2016 that was poised to strike the New York City area. These messages alert the public to emergencies and disseminate critical safety information.
- **Notify NYC.** The November Plan included \$70,000 for Fiscal 2017 and baseline funding of \$140,000 in Fiscal 2018 and the outyears to hire two positions for Notify NYC. NYCEM is currently developing a mobile application to supplement the current Notify NYC messaging platform. It is projected that this new mobile app will be able to provide a better user experience and provide more accurately safety messages at a cheaper cost.

The two positions will manage this initiative and will ensure that the overall savings will be realized.

- **Warehouse Operating Expenses.** The November Plan included baseline funding of \$1 million beginning in Fiscal 2017 for warehouse operating expenses. According to NYCEM, the Agency finalized a lease at its current warehouse at 930 Flushing Avenue. This will expand the operating space at its current warehouse once it's fully built. The funding added for this will support the lease-mandated costs in operating a larger facility.

Contract Budget

NYCEM Fiscal 2018 Preliminary Contract Budget				
<i>Dollars in Thousands</i>				
Category	Fiscal 2017 Adopted	Number of Contracts	Fiscal 2018 Preliminary	Number of Contracts
Contractual Services - General	\$15,005	1	\$5	1
Other Contractual Services	12,791	8	3,029	8
TOTAL	\$27,796	9	\$3,034	9

The City's Contract Budget, as proposed, totals \$14.4 billion in Fiscal 2018, a decrease of \$604.9 million or four percent when compared to the Fiscal 2017 Adopted Budget of \$14.99 billion. NYCEM's Contract Budget totals \$3 million in Fiscal 2018, a decrease of \$24.8 million or 89 percent when compared to the Fiscal 2017 Adopted Budget of \$27.8 million. This decrease is largely due to federal grants for Contractual Services – General and Professional Services – Other that are not yet recognized for Fiscal 2018. Of the \$15 million for Contractual Services – General in the Fiscal 2017 Adopted Budget, \$15 million or 54 percent is a one-time funding for Flood Protection – Trap Bags, and of the \$12.6 million for Professional Services – Other, \$6.5 million or 52 percent, is associated with the Urban Areas Security Initiative (UASI) grant.

Fiscal 2017 PMMR Performance Measures

The Fiscal 2017 PMMR outlines the responsibilities and goals of the NYCEM. According to the PMMR, NYCEM runs programs to increase preparedness and resilience, such as Ready New York, Partners in Preparedness, Citizen Corps and Community Emergency Response Teams (CERT), and works with elected officials, community boards, civic groups and others.

NYCEM lays out its services and goals in the PMMR, which are 1) ensure that City government is prepared for emergencies; and 2) prepare New York City residents and private sector entities for emergencies.

The chart below from the PMMR provides performance indicators from Fiscal 2014 to Fiscal 2016, target data for Fiscal 2017 and Fiscal 2018, and four-month actual data for Fiscal 2016 and Fiscal 2017. All indicators are included since the two core services as identified by the PMMR lists in detail the main services provided by NYCEM.

NYCEM Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Incidents	3,702	4,091	4,267	*	*	1,433	1,334
Field Responses	810	938	1,019	*	*	297	289
Incidents monitored from Watch Command	2,892	3,153	3,248	*	*	1,136	1,044
Interagency meetings held during field responses	290	291	277	*	*	126	74
Emergency Operations Center activations	8	7	6	*	*	5	4
Full-scale and functional exercises/drills	3	4	11	11	11	3	9
Tabletop exercises and simulations	19	19	27	18	18	12	10
Participation in drills coordinated by other agencies or organizations	35	44	53	*	*	13	12
Participants at instructor-led emergency management training sessions	2,555	2,783	3,430	2,500	2,500	668	692
Total participants at emergency preparedness education sessions	34,599	74,571	103,648	75,000	75,000	35,023	30,165
Ready New York webpage views	NA	15,443	81,570	*	*	13,846	19,640
Subscribers to Corpnet System	1,590	1,610	1,545	*	*	1,620	1,547
Community Emergency Response Team (CERT) volunteer hours	11,704	16,299	17,430	*	*	7,448	6,232
CERT members trained	297	264	168	*	*	0	47
Notify NYC messages issued	1,190	1,390	1,505	*	*	529	607
Average time from incident to issuing of Notify NYC message (minutes:seconds)	7:58	8:00	6:00	7:00	7:00	7:00	6:00
Subscribers to Notify NYC, CorpNet, Advance Warning System, and Citizen Corps Newsletter	237,740	310,072	415,203	*	*	343,628	464,262

- In the first four months of Fiscal 2017, NYCEM was actively involved with 1,334 incidents that necessitated interagency coordination, a seven percent decrease when compared to the same period of Fiscal 2016. NYCEM also activated the City's Emergency Operations Center (EOC) four times during July to October 2016 for incidents involving a heat emergency, Tropical Storm Hermine, the Chelsea explosion and Hurricane Matthew.
- NYCEM held and participated in a total of 31 exercises, including nine full-scale and functional exercises in the first four months of Fiscal 2017, an 11 percent increase in total exercises when compared to the same period of Fiscal 2016.
- NYCEM offered emergency management and preparedness education sessions to 30,165 New Yorkers through Ready New York presentations, educational fairs and preparedness in the workplace presentations during the first four months of Fiscal 2017. Furthermore, NYCEM issues 607 Notify NYC messages to New Yorkers, a 15 percent increase, resulting from the continued expansion of the program. At the same time, Notify NYC messages were delivered in an average of six minutes, a decrease of one minute or 14 percent compared to last period.

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

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
NYCEM Budget as of the Adopted 2017 Budget	\$39,524	\$20,130	\$59,654	\$21,911	\$944	\$22,855
New Needs						
Charitable Organization & House of Worship Recovery Task Force	\$65	\$0	\$65	\$130	\$0	\$130
City Legislative Representative	40	0	40	80	0	80
Messaging Costs for Hurricanes Hermine and Matthew	100	0	100	0	0	0
Notify NYC	70		70	140		140
Warehouse Operating Expenses	1,000	0	1,000	1,000	0	1,000
Subtotal, New Needs	\$1,275	\$0	\$1,275	\$1,350	\$0	\$1,350
Other Adjustments						
City Service Corps (OEM)	(\$10)	\$0	(\$10)	(\$1)	\$0	(\$1)
Flood Barrier Protection Savings	(395)	0	(395)	0	0	0
Notify NYC Application Savings	(143)	0	(143)	(116)	0	(116)
Flood Barrier Savings	(198)	0	(198)	0	0	0
FY17 ROLLS	31	1,557	1,588	0	0	0
Various other Non-City grants	0	8,203	8,203	0	0	0
Subtotal, Other Adjustments	(\$715)	\$9,760	\$9,045	(\$117)	\$0	(\$117)
TOTAL, All Changes	\$560	\$9,760	\$10,320	\$1,233	\$0	\$1,233
NYCEM Budget as of the Preliminary 2018 Budget	\$40,053	\$29,919	\$69,972	\$23,143	\$944	\$24,087