



New York City Council

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Finance Division

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**Hearing on the Mayor's Fiscal Year 2012 Preliminary Budget &
the Fiscal Year 2011 Preliminary Mayor's Management Report**

Office of Emergency Management

March 15, 2011

Committee on Public Safety

Hon. Peter F. Vallone Jr., Chair

Andy Grossman, Deputy Director, Finance Division

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Summary and Highlights

Office of Emergency Management (OEM)

Dollars in Thousands

	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference* 2010 - 2011
Personal Service	\$8,881	\$9,655	\$9,824	\$17,622	\$7,202	(\$2,622)
Other Than Personal Service	11,112	17,569	22,380	38,325	15,869	(6,511)
Total	\$19,993	\$27,224	\$32,204	\$55,947	\$23,071	(\$9,133)

**Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Projected Fiscal 2012 Budget.*

The 2012 February Plan proposes a budget of \$23.071 million for the Office of Emergency Management (OEM) which is \$9.1 million below the Department’s \$32.2 million Adopted Budget for Fiscal 2011. The 2012 February Plan is also \$32.8 million below the Department’s 2011 February Plan appropriation of \$55.95 million, a reduction of approximately 30.5 percent. This is largely accounted for by the fact that the federal grants in the Department’s 2011 February Plan drop out of OEM’s Fiscal 2011 Adopted Budget. Federal funds are not generally baselined but, rather, are modified into the Department’s budget on a year-by-year basis. The exact amount of federal grant funds in the Department’s Fiscal 2012 budget will not be known until sometime after the budget has been adopted.

Highlights of OEM’s Fiscal 2012 Preliminary Budget:

- **Elimination of Two Vacancies.** Two vacant positions will be eliminated to help OEM meet its PEG reduction target.
- **Shift City PS Funds to Federal Grants.** Twenty-five percent of the cost for four positions will be shifted to federal grant funds. In Fiscal 2012, one full time position will also be shifted to federal grant funding.

Office 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

Expense Budget Summary

Office of Emergency Management (OEM)

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2010 - 2011
Personal Services	\$8,881	\$9,655	\$9,824	\$17,622	\$7,202	(\$2,622)
Other Than Personal Services	11,112	17,569	22,380	38,325	15,869	(6,511)
Total	\$19,993	\$27,224	\$32,204	\$55,947	\$23,071	(\$9,133)
Funding						
City Funds			\$7,945	\$7,556	\$5,203	(\$2,742)
Other Categorical			0	47	0	0
State			762	762	762	0
Federal - Other			23,497	47,498	17,106	(6,391)
Intra City			0	84	0	0
TOTAL			\$32,204	\$55,947	\$23,071	(\$9,133)
Positions						
Full-Time Positions	106	107	32	34	29	(3)
TOTAL	106	107	32	34	29	(3)

OEM's a 2012 February Plan totals \$23.071 million which is \$32.8 million below the Department's 2011 February Plan appropriation of \$55.95 million, a reduction of approximately 30.5 percent. This is largely accounted for by the fact that the federal grants in the Department's 2011 February Plan drop out of OEM's Fiscal 2011 Adopted Budget. In this instance, federal funds drop from 85 percent of the Department's budget as of the Fiscal 2011 Adopted (\$47.5 million) to 74.3 percent as of the February 2012 Plan (\$17.1 million) although the drop in actual dollars appears a little more compelling (\$30.4 million).

This precipitous decline in funding is part of the normal federal funding pattern for OEM. While city funds will represent the bulk of the Department's Adopted Budget funding, its "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 budget process and are usually applied for each year by the Department.

Since the federal funding process does not correspond to the City's budget cycle, 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>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2010 - 2011
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$3	\$0	\$0	\$0	\$0	\$0
Full-Time Salaried - Civilian	7,468	7,942	8,822	12,018	6,741	(2,081)
Other Salaried and Unsalariated	149	129	122	122	122	0
Additional Gross Pay	28	75	5	20	5	0
Overtime - Civilian	1,233	1,509	183	4,080	65	(118)
Fringe Benefits	0	0	1,089	1,371	256	(832)
Amounts to be Scheduled	0	0	(397)	12	12	409
P.S. - Other	0	0	0	0	0	0
Subtotal, PS	\$8,881	\$9,655	\$9,824	\$17,622	\$7,202	(\$2,622)
Other Than Personal Services						
Supplies and Materials	\$879	\$3,380	\$2,669	\$3,020	\$2,607	(\$61)
Property and Equipment	881	1,665	1,672	4,145	1,560	(111)
Other Services and Charges	5,242	7,069	5,291	5,384	2,779	(2,512)
Contractual Services	4,102	5,451	12,749	25,775	8,923	(3,825)
Fixed and Misc. Charges	7	3	0	0	0	0
Subtotal, OTPS	\$11,112	\$17,569	\$22,380	\$38,325	\$15,869	(\$6,511)
TOTAL	\$19,993	\$27,224	\$32,204	\$55,947	\$23,071	(\$9,133)
Funding						
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Positions						
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TOTAL	106	107	32	34	29	(3)

The largest variances within the Department's budget involve decreases in full-time salaries and fringe benefits on the PS side of the budget and Contractual Services and Other Services and Charges on the OTPS side between the Fiscal 2011 Adopted budget and the 2012 February Plan.

Performance Measures

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

	FY 08	FY 09	FY 10	FY 10 4-Month Actual	FY 11 4-Month Actual
Total incident responses	2,531	2,748	2,901	974	890
On-site coordination	350	576	616	178	176
Monitored from OEM Watch Command	2,181	2,172	2,285	796	714
Emergency Operations Center activations	10	7	14	8	7

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

	FY 08	FY 09	FY 10	FY 10 4-Month Actual	FY 11 4-Month Actual
Field exercises/drills	5	9	11	4	4
Tabletop exercises	9	5	4	2	2
Participation in drills coordinated by other agencies	36	36	27	6	7
Employees trained in emergency response	1,719	977	1,822	663	567
Percentage of emergency response training goal met (%)	172%	98%	121%	44%	38%

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

	FY 08	FY 09	FY 10	FY 10 4-Month Actual	FY 11 4-Month Actual
Emergency preparedness education of residents - by OEM staff	2,428	8,940	27,161	2,734	2,980
by Agency partners using OEM curriculum	17,626	8,941	8,869	1,333	1,944
Emergency preparedness education of private/non-profit/government groups	2,849	2,134	1,592	794	480
Ready New York Guides viewed online	76,793	77,705	154,901	89,295	89,045
Community Emergency Response Team (CERT) members trained	NA	469	211	NA	NA
CERT volunteer hours	11,687	17,698	15,290	6,750	8,929

Performance Measure Highlights

- During the first four months of Fiscal 2011 employees trained in emergency response decreased compared to last year due to the fact that during this period OEM's Training and Exercise unit focused on a series of large-scale training exercises, including "NYC Resilience," designed to prepare responders for a major mass-casualty incident. OEM is still on track to meet all training goals set for Fiscal 2011.
- During the reporting period, OEM's education of residents by staff and agency partners increased 9 percent and 46 percent, respectively. The number of private/not-for-profit/government organizations that received preparedness education by OEM staff decreased due to a focus on outreach, partnership-building and event sponsorship as a way to engage and prepare the private sector.
- The number of Community Emergency Response Team (CERT) volunteer hours increased by 32 percent during the reporting period due to new training requirements and participation at various exercises and events, including National Preparedness Month activities in September 2010. Additionally, CERT volunteers assisted with damage assessment and community recovery after the tornado on September 16, 2010.

Relevant Budget Actions

- **Elimination of Two Vacancies.** Two vacant positions will be eliminated to help OEM meet its PEG reduction target: one IT staff position and a Deputy Director slot in the Watch Command will be targeted. Both positions have been vacant for a long time and their functions are currently being performed by other staffers. This reduction measure would yield savings totaling \$175,000 in Fiscal 2011, \$165,000 in Fiscal 2012, \$163,000 in Fiscal 2013, \$161,000 in Fiscal 2014 and \$159,000 in Fiscal 2015. These savings include PEG credit for fringe benefits totaling \$35,000 in Fiscal 2011, \$36,000 in Fiscal 2012, \$37,000 in Fiscal 2013, \$39,000 in Fiscal 2014 and \$41,000 in Fiscal 2015. This credit would be offset as an "Other Adjustment" in the Board's budget since the associated fringe benefit savings are generated in the Miscellaneous Budget.
- **Shift City PS Funds to Federal Grants.** Twenty-five percent of the cost for four positions will be shifted to federal grant funds. In Fiscal 2012, one full time position will also be shifted to federal grant funding and eliminated on the city funding portion of the Department's expense budget. The city-funded savings generated by these funding swaps will be as follows: \$183,000 in fiscal 2011, \$310,000 in Fiscal 2012, \$312,000 in fiscal 2013, \$314,000 in Fiscal 2014 and \$316,000 in Fiscal 2015. These savings include PEG credit for fringe benefits totaling \$24,000 in Fiscal 2011, \$46,000 in Fiscal 2012, \$48,000 in Fiscal 2013, \$50,000 in Fiscal 2014 and \$52,000 in Fiscal 2015. This credit would be offset as an "Other Adjustment" in the Board's budget since the associated fringe benefit savings are generated in the Miscellaneous Budget.

Fiscal 2012 Preliminary Contracts Budget

Category	Number	Budgeted	Pct. of OEM Total	Pct. of City Total	Pct. Change from 2011 ADP
Contractual Services General	1	\$5,000	0.1%	0.00%	0.0%
Maint. & Repair Motor Vehicle Equip	1	20,000	0.2%	0.02%	0.0%
Office Equipment Maintenance	1	36,800	0.4%	0.26%	0.0%
Data Processing Equipment	1	151,500	1.7%	0.11%	0.0%
Printing Contracts	1	20,000	0.2%	0.06%	0.0%
Cleaning Services	1	19,525	0.2%	0.10%	0.0%
Transportation Expenditures	1	969	0.0%	0.01%	0.0%
Training Pgm City Employees	1	425	0.0%	0.00%	0.2%
Prof. Serv Computer Services	1	9,600	0.1%	0.01%	0.0%
Prof. Services Other	1	8,659,243	97.0%	6.78%	-30.6%
Preliminary Budget	10	\$8,923,062	100.0%	0.09%	-30.0%

Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of July 2010 Plan	\$7,944	\$24,258	\$32,202	\$5,596	\$24,258	\$29,854
Program to Eliminate the Gap (PEGs)						
Coastal Storm Plan Reduction	(\$91)	\$0	(\$91)	\$0	\$0	\$0
Elimination of 2 Vacancies	(175)	0	(175)	(165)	0	(165)
Shift City PS Funds to Fed Grants	(183)	0	(183)	(310)	0	(310)
Total, PEGs	(\$449)	\$0	(\$449)	(\$475)	\$0	(\$475)
Other Adjustments						
Federal Grants	\$0	\$24,001	\$24,001	\$0	(\$6,391)	(\$6,391)
Other Categorical Grants	0	47	47	0	0	0
Elimination of 2 Vacancies - Fringe	35	0	35	36	0	36
Shift City PS Funds to Fed Grants	24	0	24	46	0	46
SW Brooklyn Citizens Corps CERT Team	1	0	1	0	0	0
Intra City Adjustments	0	84	84			0
Total, Other Adjustments	\$60	\$24,132	\$24,192	\$81	(\$6,391)	(\$6,310)
Total Changes to Agency Budget	(\$389)	\$24,132	\$23,743	(\$394)	(\$6,391)	(\$6,785)
Agency Budget as of February 2011 Plan	\$7,556	\$48,391	\$55,947	\$5,203	\$17,867	\$23,070