

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
Speaker of the Council

Hon. Joseph C. Borelli
Chair, Committee on Fire and Emergency Management



Report of the Finance Division on the
Fiscal 2019 Preliminary Budget and the
Fiscal 2018 Preliminary Mayor's Management Report for the
New York City Emergency Management

March 8, 2018

Finance Division

Jin Lee, Financial Analyst
Eisha Wright, Unit Head

Latonia McKinney, Director
Regina Poreda Ryan, Deputy Director

Nathan Toth, Deputy Director
Paul Scimone, Deputy Director

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New York City Department of Emergency Management Overview

The New York City Department of Emergency Management (NYCEM or the agency) coordinates and supports multiagency responses to, and regularly monitors, emergency conditions and other potential incidents that affect public health and safety in the City. These include 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 agency supports the efforts of government agencies, as well as private and not-for-profit entities in emergency planning, interagency training and exercises and business continuity planning. The agency also 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.

The agency serves approximately 8.5 million City residents, who speak more than 200 different languages, as well as the City's 56.5 million annual visitors. The agency works closely with public, private, and nonprofit partners to prepare the City's communities for emergencies. NYCEM is responsible for overseeing, managing, and maintaining a number of critical functions and resources across the emergency management cycle.

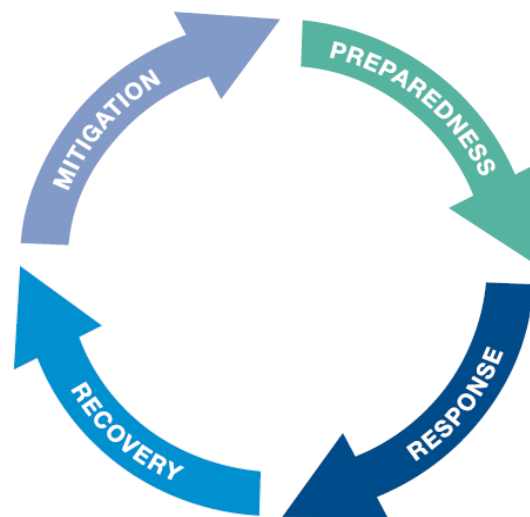
This report provides a review of NYCEM's Preliminary Budget for Fiscal 2019. In the first section, the highlights of the agency's \$48.7 million Fiscal 2019 expense budget are presented in a Financial Summary chart that details NYCEM's budget by unit of appropriation, funding source, and headcount. This 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 2018. NYCEM does not have a Capital Budget.

NYCEM Strategic Plan 2017-2021

Last fall, NYCEM released its first strategic plan to direct the agency's growth and focus through 2021. The plan combines NYCEM's mission, charter responsibilities, and lessons learned into a document that offers an assessment of how NYCEM can better serve the City and the people who live, work, and visit every year. The strategic plan lays out four goals:

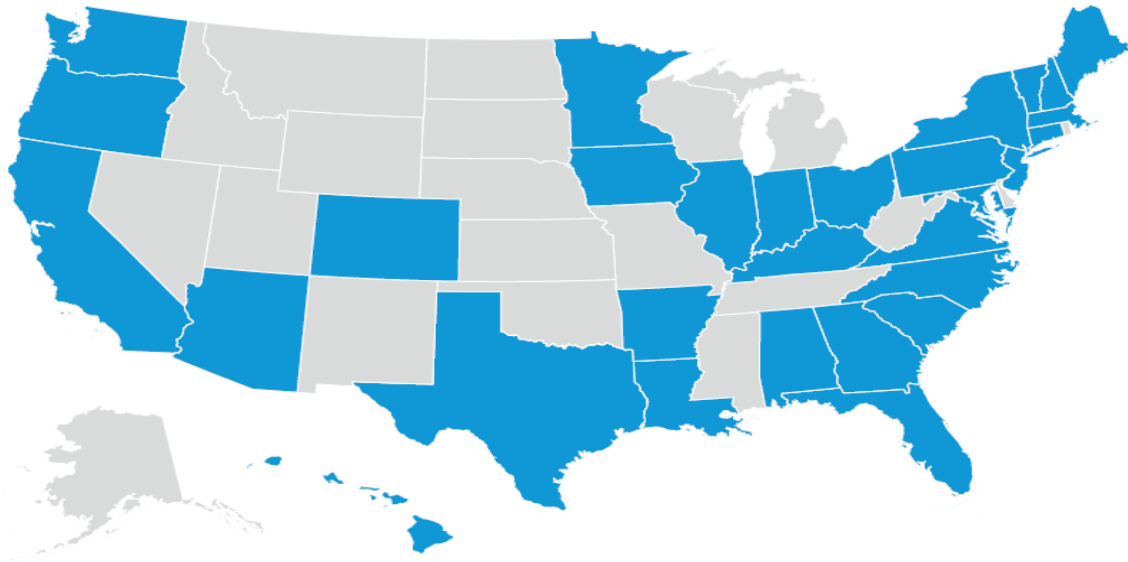
- **Goal 1:** Promote Coordination Responsibility & Strengthen Agency Identity
 - Continue to enhance NYCEM's role in citywide coordination, mitigation, planning, response, and recovery.

THE EMERGENCY MANAGEMENT CYCLE



- **Goal 2:** Reinforce the City's Capacity to Manage Emergencies Through Strategic Engagement
 - Ensure all phases of the emergency management cycle are comprehensive and inclusive.

The agency has supported and advanced the emergency management profession through emergency deployments, training, exercises, and speaking engagements in 30 states.



- **Goal 3:** Develop Innovative Solutions to support NYC Emergency Management's Expanding Responsibilities
 - New legislative mandates or new preparedness strategies from lessons learned have affected the agency's expanding responsibilities
 - Expand internal capabilities through improvements in technology, infrastructure, and staffing
 - The agency will need to expand its space over the next five years as both the agency and the need for coordinated emergency operations grow in size and complexity.
- **Goal 4:** Advance the Profession of Emergency Management
 - Positions NYCEM as a premier emergency management agency by promoting a culture of learning.

Citywide Incident Management System

The Citywide Incident Management System (CIMS) is the incident response framework that outlines many of the roles and responsibilities of NYCEM and its agency partners and provides a foundation for a coordinated citywide response. CIMS, the City's implementation of the National Incident Management System (NIMS), was adopted in 2005. Compliance is a requirement for future federal domestic preparedness funding for local governments. While CIMS has been developed to address the City's unique incident management requirements, its full compliance with NIMS ensures compatibility with incident command systems in use in other states and federal agencies. CIMS is

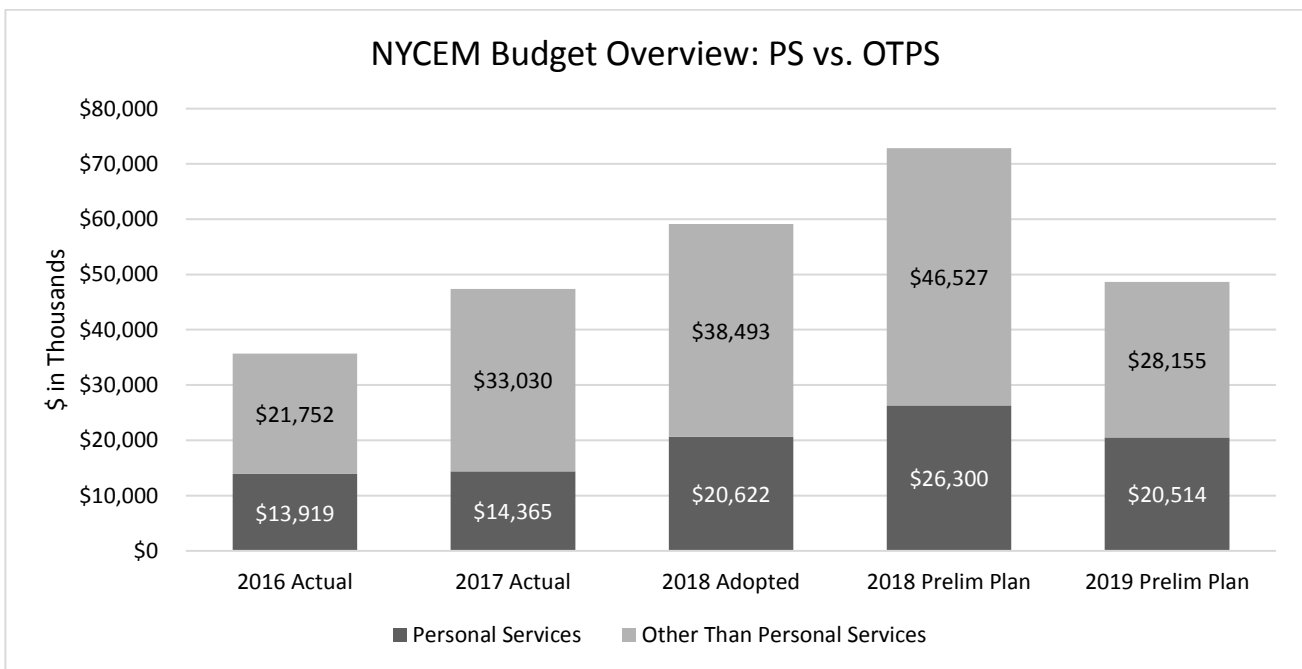
designed to be scalable, and facilitates the involvement of additional organizations such as private sector and nonprofit entities.

Language Access

NYCEM’s plan addresses the need for language assistance at service centers and lead agencies are identified for providing services to affected residents. The lead agency assumes the responsibility for language assistance based on Local Law 73 of 2003 and Executive Order 120 on Language Access. The need for language assistance and the provision of language services is monitored by members of NYCEM’s External Affairs and Human Services units. NYCEM’s language access coordinator maintains a list of bilingual/multilingual staff that can conduct emergency preparedness presentations in languages other than English and assists emergency operations when translation and interpretation services are needed.

Fiscal 2019 Preliminary Budget

The NYCEM’s Fiscal 2019 Preliminary Budget totals \$48.7 million, including \$20.5 million for personal services (PS) and \$28.2 million for other than personal services (OTPS). NYCEM’s OTPS budget typically comprises about approximately 64 percent of the agency’s annual budget. The chart below shows NYCEM’s actual expenditures in Fiscal 2016 and 2017, the Fiscal 2018 Adopted Budget, the Fiscal 2018 Budget as of the Preliminary Financial Plan, and the proposed budget for Fiscal 2019. As the chart indicates, NYCEM’s budget has been steadily increasing over the past couple years, particularly the OTPS budget. However, the Fiscal 2019 Preliminary Budget presents a decreased OTPS budget by approximately \$10.3 million when compared to the Fiscal 2018 Adopted Budget.



NYCEM’s budget remains steady when compared to the Fiscal 2018 Adopted Budget. Mid-year growth is typically due to recognition of federal funding. The agency is not making changes to current programs or policies that relate to NYCEM, so there are no significant funding changes to the Fiscal 2019 Preliminary Budget. However, given NYCEM’s 2017-2021 Strategic Plan and the instability of federal funding, this brings into question whether the agency’s proposed budget can sufficiently aid NYCEM in achieving the goals that are laid out in the agency’s plan.

Highlights of NYCEM's Fiscal 2019 Preliminary Budget

- **New Needs:** Since adoption of the Fiscal 2018 Budget, NYCEM has identified \$4.1 million in new needs for Fiscal 2018.
- **Citywide Savings Program:** The Office will generate budget savings of \$102,000 in Fiscal 2018 as part of the Citywide Savings Program introduced since adoption.
- **Preliminary Mayor's Management Report (PMMR) Highlights:** Notable performance metrics reported by NYCEM in the 2018 PMMR include the following:
 - ✓ From July to October 2017, NYCEM activated the City's Emergency Operations Center (EOC) on three occasions for incidents involving a heat event, and to support activities related to Hurricane Jose and Hurricane Maria.
 - ✓ NYCEM saw a 32 percent decrease in the number of full-scale and functional exercises held in the first four months of Fiscal 2018, due in large part to the agency's focus on Hurricane Maria.

Financial Plan Summary

NYCEM Financial Summary <i>Dollars in Thousands</i>						
	2016	2017	2018	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2018	2019	2018 - 2019
Spending						
Personal Services	\$13,919	\$14,365	\$20,622	\$26,300	\$20,514	(\$108)
Other Than Personal Services	21,752	33,030	38,493	46,527	28,155	(10,338)
TOTAL	\$35,671	\$47,395	\$59,115	\$72,826	\$48,669	(\$10,446)
Funding						
City Funds			\$35,293	\$39,133	\$26,360	(\$8,933)
Other Categorical			0	91	0	0
State			0	812	0	0
Federal - Other			23,822	32,126	22,309	(1,513)
Intra City			0	664	0	0
TOTAL	\$35,671	\$47,395	\$59,115	\$72,826	\$48,669	(\$10,446)
Budgeted Headcount						
Full-Time Positions - Civilian	159	166	189	213	188	(1)
TOTAL	159	166	189	213	188	(1)

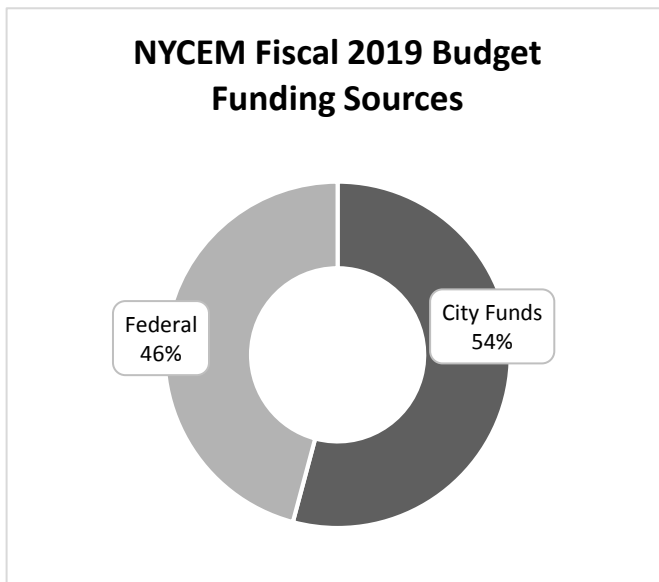
*The difference of Fiscal 2018 Adopted Budget compared to Fiscal 2019 Preliminary Budget.

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).

NYCEM's Fiscal 2019 Preliminary Budget is \$10.4 million less than the Fiscal 2018 Adopted Budget, which totaled \$38.5 million. The decrease is mainly due to a \$10.3 million decrease in the agency's OTPS budget. The PS budget decreases by a modest amount of \$108,000. The agency's Fiscal 2018 budget increases by \$13.7 million, or approximately 23 percent, when compared to the Fiscal 2018 Adopted Budget. This is due to NYCEM recognizing an additional \$8.3 million in federal funding for Fiscal 2018 in the Preliminary Plan.

NYCEM typically does not recognize federal funding until after the Preliminary Plan. For example, the Fiscal 2018 Preliminary Budget only recognized \$944,000 in federal funding as of the Fiscal 2018 Preliminary Plan. However, compared to previous years, NYCEM has already recognized federal

funding in the Fiscal 2019 Preliminary Plan. The chart below provides a breakdown of NYCEM's federal funding by source. The Office's only funding sources are City-tax levy and federal funds.



The Fiscal 2019 Preliminary Plan indicates that NYCEM's Fiscal 2019 budget is comprised of 54 percent City-tax levy funds, and 46 percent federal funds. Of the total of \$22.3 million in federal funding, the Urban Areas Security Initiative (UASI) is a major federal funding source for NYCEM, which accounts for approximately 99 percent. As of the Fiscal 2019 Preliminary Budget, NYCEM has recognized \$22.3 million in federal grants, of which \$22.1 million are from the UASI funded by the Federal Emergency Management Agency (FEMA). The UASI 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. NYCEM uses UASI funding throughout each division, and is a critical funding to the agency's preparedness and response efforts. The OTPS portion of the funding supports major initiatives such as the annual maintenance of the emergency supply stockpile, including annual rotation of expired items, the entire Ready New York outreach program, and the agency's comprehensive training and exercise schedule.

The chart indicates that NYCEM receives a number of federal grants, but these are not entirely reflected in the NYCEM's Fiscal 2019 Preliminary Budget. Federal funds are not baselined, but are modified into the agency's budget on a year to year basis as grants are awarded. The exact number of grants that the agency anticipates in Fiscal 2019 will not be known until after grant requests are approved and awarded.

Similarly, NYCEM's annual headcount also experiences changes after the release of the Preliminary Plan. 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. NYCEM's Fiscal 2019 budgeted headcount consists of 36 percent City-funded positions, and 64 percent positions funded by other funds, which are comprised entirely of federally funded positions. The headcount breakdown is as follows: 121 full-time positions through the UASI grant; six full-time positions for Notify NYC Language work (in 2017, Notify NYC introduced new multilingual messaging to offer common notifications in 13 languages, American Sign Language (ASL), and audio formats); and 61 NYCEM full-time positions.

Financial Plan Actions. The Preliminary Financial Plan introduces budget changes that increase NYCEM's Fiscal 2018 Budget by \$13.7 million and decrease the agency's Fiscal 2019 Budget by \$10.4 million. Changes consist of other adjustments; a very modest new needs package of merely \$4.2 million for Fiscal 2018, and a small savings of \$342,000 for Fiscal 2018. All of the changes are shown in the Appendix.

Citywide Savings

- **Contractual Re-Estimate.** NYCEM will realize a one-time savings of \$102,000 in Fiscal 2018 due to a delay in registering a contract. The re-estimate covered several of the legally mandated DAFN (Disabilities, Access and Functional Needs) projects. The DAFN projects are

currently in the RFP (request for proposal) stage, so there is no vendor selected at this time, which is causing the contract delay.

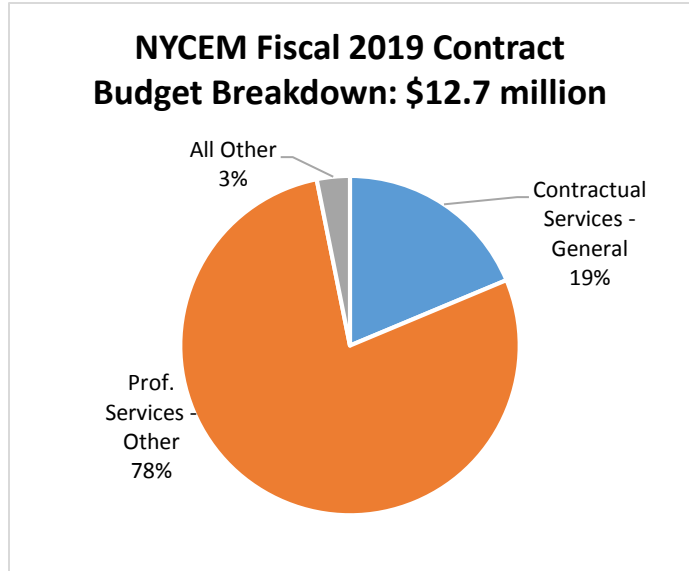
New Needs

- **Hurricane Maria Puerto Rico Relief.** The November 2017 Financial Plan included one-time funding of \$4 million in Fiscal 2018 for NYCEM's efforts to dispatch supplies and City workers to Puerto Rico to assist with recovery. The funding supports the PS budget for the personnel deployed, the deployment costs for staff in Puerto Rico, and costs in supporting the City's donation efforts. NYCEM has facilitated the shipping of public donations that were dropped off to designated firehouses through October 31, 2017. These consisted of consumable supplies such as standard first aid kits, diapers, batteries, hygiene products, dry (non-perishable) baby food, and water. Although funding for this was introduced as part of NYCEM's new needs, the funding was already in the Office's budget. The Office made a technical adjustment by shifting funding from one budget code to another in order to fund Hurricane Maria Puerto Rico relief efforts.
- **Interim Flood Protection Measures (IFPM).** The Fiscal 2019 Preliminary Budget includes one-time funding of \$140,000 in Fiscal 2018 to complete flood protection measures. The IFPM project is a five-year citywide construction project to identify flood-vulnerable areas and install temporary flood protection measures. According to NYCEM, this is an overall estimate of Fiscal 2018 needs, and will likely change as permitting deadlines finalize and construction for this round of installations begins in the spring. The current total budget for the IFPM project is \$8.9 million.

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 personnel 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. The Fiscal 2019 Preliminary Contract Budget totals \$15.6 billion for procurement expenditures across all agencies.

NYCEM’s Fiscal 2019 Contract Budget totals \$12.6 million for seven contracts, accounting for 44.6 percent of the Office’s OTPS budget.



Contracts for Professional Services – Other comprise a substantial portion (78 percent) of the Office’s total contract budget. Professional Services – Other includes approximately \$7 million in UASI grant that supports NYCEM’s OTPS budget to fund Notify NYC and for logistics work at the Office. This category also includes funding for Notify NYC language translation services. The current Fiscal 2018 contract budget as of the Preliminary Financial Plan recognizes \$17.4 million for contracts under Professional Services – Other, which includes \$6.1 million from the UASI grant.

Fiscal 2018 PMMR Performance Measures

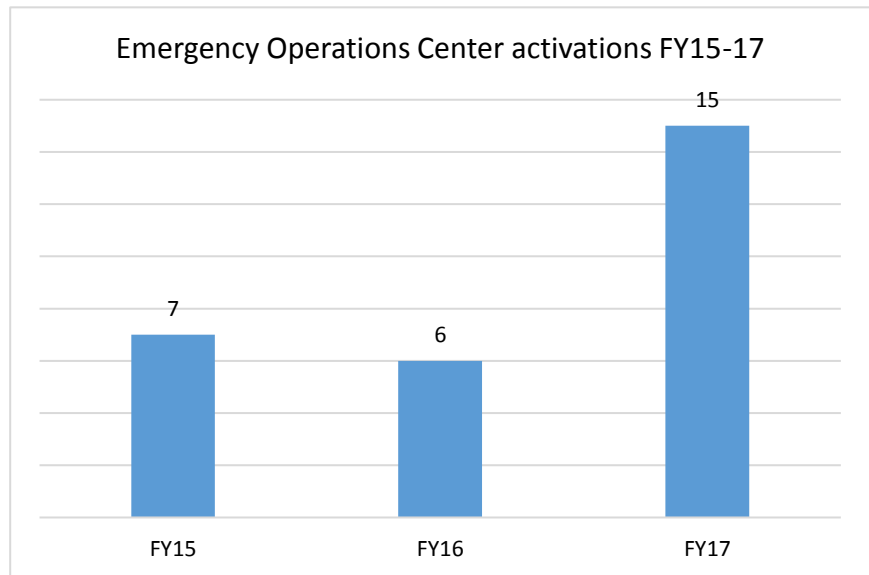
The Fiscal 2018 PMMR outlines the responsibilities and goals of the NYCEM. According to the PMMR, NYCEM runs programs to increase preparedness and resilience, such as Ready New York, Partners in Preparedness, Citizen Corps and Community Emergency Response Teams (CERT), and works with elected officials, community boards, civic groups and others. Neither the budget nor the PMMR provides information on how much it costs for NYCEM to run these programs.

NYCEM lays out its services and goals in the PMMR, which are to 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 2015 to Fiscal 2017, target data for Fiscal 2018 and Fiscal 2019, and four-month actual data for Fiscal 2017 and Fiscal 2018. 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	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Incidents	4,091	4,267	3,924	*	*	1,334	1,217
Field Responses	938	1,019	825	*	*	289	240
Incidents monitored from Watch Command	3,153	3,248	3,099	*	*	1,044	977
Interagency meetings held during field responses	291	277	198	*	*	74	65
Emergency Operations Center activations	7	6	15	*	*	4	3
Full-scale and functional exercises/drills	4	11	18	14	14	9	3
Tabletop exercises and simulations	19	27	20	31	31	10	10
Participants at instructor-led emergency management training sessions	2,783	3,430	2,626	2,500		692	958
Total participants at emergency preparedness education sessions	74,571	103,648	92,863	75,000	75,000	30,165	40,975
Ready New York webpage views	15,443	81,570	42,674	*	*	19,640	10,860
Community Emergency Response Team (CERT) volunteer hours	16,299	17,430	17,779	*	*	6,232	7,045
CERT members trained	264	168	173	*	*	47	0
Notify NYC messages issued	1,390	1,505	1,986	*	*	607	450
Average time from incident to issuing of Notify NYC message (minutes:seconds)	8:00	6:00	6:44	7:00	7:00	6:00	8:15
Subscribers to Notify NYC, CorpNet, Advance Warning System, and Citizen Corps Newsletter	310,072	415,203	559,928	*	*	464,262	621,038

During the first four months of Fiscal 2018, NYCEM was actively involved with 1,217 incidents that necessitated interagency coordination, a nine percent decrease when compared to the first four months of Fiscal 2017. As noted earlier in the report, from July to October 2017. NYCEM also activated the City’s Emergency Operations Center (EOC) three times for incidents involving a heat event, and to support activities related to Hurricane Jose and Hurricane Maria. The activation for Hurricane Maria also included the deployment of approximately 260 City staff to Puerto Rico during the reporting period and the opening of a Service Center at the Julia de Burgos Latino Cultural Center on October 19, 2017.



NYCEM held three full-scale and functional exercises and 10 tabletop exercises and simulations in the first four months of Fiscal 2018, a 32 percent decrease when compared to the same period in Fiscal 2017. This is due in large part to the agency’s focus on Hurricane Maria. NYCEM also participated in 16 drills conducted by other agencies or organizations, a 33 percent increase when compared to the first four months of Fiscal 2017.

Appendix:

A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2018			FY 2019		
	City	Non-City	Total	City	Non-City	Total
NYCEM Budget as of the Fiscal 2018 Adopted Budget	\$35,293	\$23,822	\$59,115	\$26,360	\$944	\$27,304
New Needs						
Hurricane Maria Puerto Rico Relief	\$4,042	\$0	\$4,042	\$0	\$0	\$0
Interim Flood Protection Measures (IFPM)	140	0	140	0	0	0
Subtotal, New Needs	\$4,182	\$0	\$4,182	\$0	\$0	\$0
Other Adjustments						
City Service Corps	(\$11)	\$0	(\$11)	\$0	\$0	\$0
Contractual Re-Estimate	(102)	0	(102)	0	0	0
Hurricane Maria Grants	0	111	111	0	0	0
PS Savings	(229)	0	(229)	0	0	0
UASI Grants	0	365	365	0	21,365	21,365
USAR Grants	0	1,382	1,382	0	0	0
Various Other Non-City Grants	0	8,014	8,014	0	0	0
Subtotal, Other Adjustments	(\$342)	\$9,872	\$9,530	\$0	\$21,365	\$21,365
TOTAL, All Changes	\$3,840	\$9,872	\$13,712	\$0	\$21,365	\$21,365
NYCEM Budget as of the Fiscal 2019 Prelim Budget	\$39,133	\$33,693	\$72,826	\$26,360	\$22,309	\$48,669

B: NYCEM Contract Budget

NYCEM Fiscal 2019 Preliminary Contract Budget				
<i>Dollars in Thousands</i>				
Category	Fiscal 2018 Adopted	Number of Contracts	Fiscal 2019 Preliminary	Number of Contracts
Cleaning Services	\$20	1	\$0	0
Contractual Services - General	8,906	1	2,355	1
Data Processing Equipment Maintenance	43	1	20	1
Maintenance and Repairs - Motor Vehicle Equip	88	1	88	1
Office Equipment Maintenance	37	1	37	1
Printing Services	20	1	250	1
Prof. Services - Computer Services	10	1	0	0
Prof. Services - Other	13,535	1	9,823	1
Transportation Services	1	1	1	1
TOTAL	\$22,658	9	\$12,574	7