

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
Speaker of the Council

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



Report of the Finance Division on the
Fiscal 2022 Preliminary Plan for
New York City Emergency Management

March 19, 2021

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Table of Contents

New York City Emergency Management	1
NYCEM Fiscal 2022 Preliminary Budget	2
Agency Budget Summary.....	2
Fiscal 2021 Budget Update	5
Fiscal 2021 Preliminary Mayor’s Management Report	8
Appendices	10
A: Budget Actions in the November and the Preliminary Plans.....	10

New York City Emergency Management

The New York City Department of Emergency Management (NYCEM or Department) is the coordinating agency for response and emergency planning for crises of all sizes in New York City. The agency helps New Yorkers before, during, and after emergencies through mitigation, preparedness, response, and recovery efforts. The agency leads the coordination for multiagency responses to emergencies and other significant incidents in New York City, including planned events, severe weather and other natural and non-natural hazards including power outages, transportation disruptions, public health incidents, and acts of terrorism. To accomplish this mission and ensure New York City’s safety, NYCEM leads programs that improve the City’s ability to respond to emergencies. This requires developing emergency plans, collaborating with other agencies in New York City, as well as the New York State, the federal government, nonprofits, and other partners, to plan for and educate the public about emergency preparedness.

NYCEM works to advance long-term initiatives that reduce risk and increase New York City's resiliency through mitigation planning with FEMA through grant coordination. The Department manages the City’s Emergency Operations Center (EOC), 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.



NYCEM responds to all types of emergencies that the City faces, and by far, the most extensive crisis over the past year has been COVID-19. This report will provide an overview of NYCEM’s Fiscal 2022 Preliminary Budget. In the first section, the \$28.9 million Fiscal 2022 expense budget is presented and analyzed, followed by a discussion of the agency’s budget and significant changes presented in the Fiscal 2022 Preliminary Budget. Next, the current year budget will be examined, highlighting the \$295 million added since Adoption. Concluding with a review of the relevant sections of the Preliminary Mayor’s Management Report for NYCEM.

NYCEM Fiscal 2022 Preliminary Budget

The Department's Fiscal 2022 Preliminary budget of \$28.9 million makes up less than one percent of the City's Fiscal 2022 budget of \$92.3 billion. Similarly, the Department has a very small Fiscal 2022 headcount in relation to citywide figures, with 63 budgeted positions for Fiscal 2022, compared to the citywide headcount of 326,717.

Due to NYCEM's budget being reliant on federal funds and the City's practice of projecting federally funded expenses only over a short term, NYCEM's baseline budget is far less than its actual spending in each fiscal year. Budgeted headcount and spending supported by federal funds are realized throughout the current fiscal year. For example, NYCEM began Fiscal 2021 with 64 budgeted positions, although more than three times that number were on staff at the end of Fiscal 2020.

The Department's Fiscal 2022 Preliminary Budget includes \$6.5 million for personal services (PS) to support the Department's 63 planned positions, and \$22.4 million in other than personal services (OTPS). As of this Financial Plan, the Department's OTPS budget comprises approximately 77 percent of the Department's entire budget, and will primarily fund payments for rental properties, trap bags for flood protection, and the Department's Information Technology needs.

Agency Budget Summary

The table below outlines NYCEM's actual budgets for Fiscal 2019 and 2020, the Fiscal 2021 Adopted Budget, the Fiscal 2021 current budget, and the Fiscal 2022 Preliminary Budget. Included are the Fiscal 2021 Adopted Budget's difference compared to the Fiscal 2022 Preliminary Budget and the funding sources.

NYCEM Financial Summary						
<i>Dollars in Thousands</i>						
<i>Dollars in Thousands</i>	FY19	FY20	FY21	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY21	FY22	FY21-FY22
Spending						
Personal Services	\$17,427	\$19,557	\$7,411	\$25,882	\$6,520	(\$890)
Other Than Personal Services	41,539	238,336	21,717	298,288	22,417	700
Total	\$58,965	\$257,893	\$29,128	\$324,170	\$28,937	(\$191)
Funding						
City Funds			\$28,617	\$27,789	\$28,093	(\$524)
Other Categorical			0	67	0	0
State			0	520	0	0
Federal - Community Development			0	6,298	0	
Federal - Other			511	289,213	845	334
Intra City			0	283	0	0
Total	\$58,965	\$257,893	\$29,128	\$324,170	\$28,937	(\$191)
Budgeted Headcount						
Full-Time Positions - Civilian	183	190	64	206	63	(1)
Total	183	190	64	206	63	(1)

*The difference of Fiscal 2021 Adopted Budget compared to Fiscal 2022 Preliminary Budget.

The Fiscal 2022 Preliminary budget totals \$28.9 million, with \$28.1 million of City funds and \$845,000 in federal funding. The Fiscal 2022 funding will primarily be directed toward the OTPS budget, with \$22.4 million or 77 percent of agency funding supporting OTPS expenses. Of the remaining \$6.5 million in funding for PS costs, \$6.1 million or 94 percent will fund full-time civilian positions. The \$845,000 in planned federal funding is entirely devoted to the Urban Search Rescue and Response

System, with \$731,426 or 87 percent designated for OTPS, and \$113,466 or 13 percent designated for PS expenses to support staff.

Changes from Recent Financial Plans

The City's current year and outyear budgets have been undergoing major changes during the recent Financial Plans, adjusting for incoming federal funding and decreasing City funds to deal with budget shortfalls. NYCEM has seen both increases in federal funding and decreases in City funds. As with many other City agencies, the Department is not exempt from savings measures, and the Fiscal 2022 budget has been reduced in recent financial plans to reflect the savings. Further information on trends, specific items, and all changes from the plan are outlined below and in Appendix A.

- Although the Department has been one of the primary agencies responsible for the City's response to COVID-19, NYCEM has experienced reductions in staffing from savings measures. Many reductions to NYCEM are budgeted centrally by OMB, and NYCEM must fulfill its mission with existing resources, as well as comply with changes. The changes have reduced the Department's headcount in Fiscal 2021 by one position in Fiscal 2022 and six positions in Fiscal 2021.
- Across the two most recent Financial Plans the Department's City funding was decreased by \$709,000 in Fiscal 2022. The hiring freeze will reduce City funding for vacant positions categorized as grant personnel by \$307,000. Additionally, the Department identified six vacant positions in the Preliminary Plan that will decrease city funding by \$402,000.

Preliminary Changes

The Preliminary Plan lowered the Department's Planned spending in Fiscal 2022 by \$402,000 from personal services savings. The Fiscal 2022 Preliminary Plan adds \$9.5 million in other adjustments in Fiscal 2021, and reduces the budget by \$223,000 in the savings program. The net change is a \$9.3 million increase in Fiscal 2021.

Other Adjustments

- **Get Cool.** The Fiscal 2022 Preliminary Plan adds \$6 million in Fiscal 2021 only to support a consulting services company that was procured to assist in the Get Cool program. The program provided free air conditioners to low-income seniors and purchased 74,000 air conditioners for residents across the City. Eligibility is for those 60 years and older, who do not have an air conditioner, and participate in a City benefit program.
- **Test and Trace and Bus Support.** The Fiscal 2022 Preliminary Plan adds \$100,000 for busses and \$120,000 for trucking support in Fiscal 2021 only, for the Test and Trace Program. This funding will support transports in the program.

Savings

- **Hiring and Attrition Management.** The Preliminary Plan reduces NYCEM's headcount by five positions and includes savings of \$29,000 in Fiscal 2021 only. Across the Department headcount is only being decreased through attrition.
- **PS Savings.** The Department will save \$194,000 in Fiscal 2021 and \$402,000 in Fiscal 2022 from vacant positions that could not be filled due to the hiring freeze; these six positions include a Community Engagement Coordinator, a Public Warning Specialist, a Community Recovery and Resiliency Planner, a Mutual Aid Specialist, a Watch Command Supervisor, and a Strategy and

Program Development Project Manager. All salaries vary between \$50,000 and \$72,100 annually.

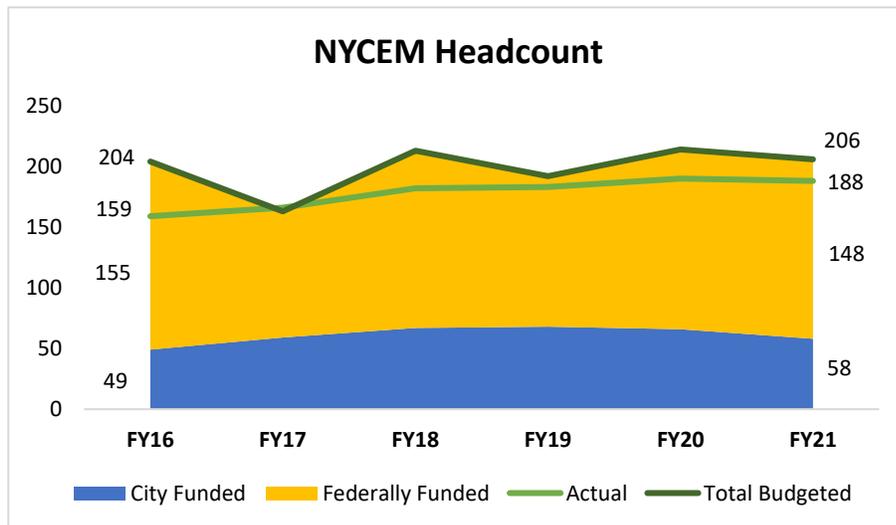
November Plan Changes

Other Adjustments

- Federal COVID-19 Additions.** The Department rolled \$172 million from Fiscal 2020 and added \$80 million in new funding from FEMA to increase COVID-19 response in Fiscal 2021. This \$252 million addition will primarily support hotels, health care services, supplies, and general OTPS costs. Funding was added to a budget code that is reimbursable by FEMA for COVID-19 OTPS related costs.
- Urban Search and Rescue.** The November Plan added \$921,000 in Fiscal 2021, and \$845,000 in Fiscal 2022 to the Urban Search and Rescue budget codes. This FEMA regulated framework consists of 28 task forces around the country that can be deployed by FEMA to disasters across the country. New York’s team has members from the NYPD and FDNY, and is overseen by Emergency Management. Previously the New York Task Force was deployed for Hurricanes Harvey, Irma, Maria, Florence, and Dorian.

Headcount and Changes

Similar to the agency budget, headcount is dependent on federal funds. As of the Fiscal 2022 Preliminary Budget, NYCEM has 206 budgeted positions in Fiscal 2021; an increase of 142 compared to Adoption, and 63 positions budgeted for Fiscal 2022. The change in Fiscal 2021 reflects short-term variations in funding for positions, but since Fiscal 2015 Departmental headcount has steadily grown, increasing by 26 percent from 150 to 190 in Fiscal 2020. The chart below shows actual headcount in that time period as well as budgeted full-time positions by city and federal funding source, federally funded positions significantly outnumber city-funded positions.



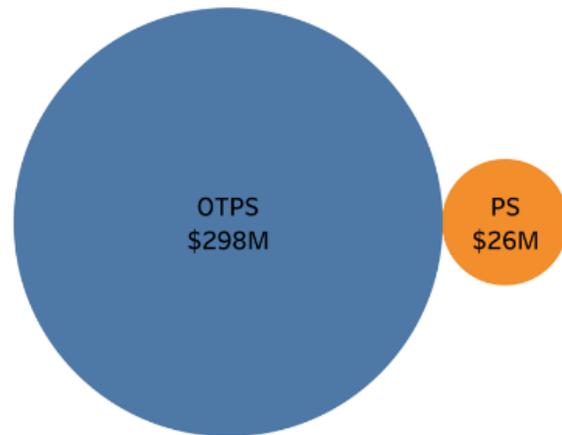
With the above changes and the current city policy that all non-public safety agencies must have three vacancies for every new hire, the Department was approved by OMB to hire nine grant-funded positions. Three of the nine positions have been filled and the remaining six are in the interview process, titles of the positions yet to be filled include Program Manager, Financial Recovery, and Director positions. If the positions are associated with grants NYCEM uses often, the hires will increase

the Department’s actual headcount moving into Fiscal 2022 and will not significantly impact the Department’s city funding.

Fiscal 2021 Budget Update

The Fiscal 2021 budget as of the Preliminary Plan for New York City Emergency Management currently totals \$324.2 million, which is \$295 million more than the Fiscal 2021 Adopted Budget. Following the Fiscal 2021 Adopted Budget with 64 budgeted positions and \$29.1 million in planned spending, the November 2020 Financial Plan increased the budgeted headcount by 146 positions when federal aid was recognized. Changes included in the Preliminary Financial Plan for Fiscal 2021-2025 (the Preliminary Plan or the Plan) added \$9.3 million to the NYCEM Fiscal 2021 Budget. With a staff of 188 and a current budget of \$324.2 million for Fiscal 2021, the Department has been working on all facets of COVID-19 response and other emergencies that the City has faced like heat waves, power outages, and winter storms. NYCEM allocates most of its resources to other than personal services (OTPS) to support contracts and supplies, rather than toward staff. NYCEM’s Fiscal 2021 budget is 92 percent OTPS and eight percent personal services (PS).

NYCEM Fiscal 2021 Budget

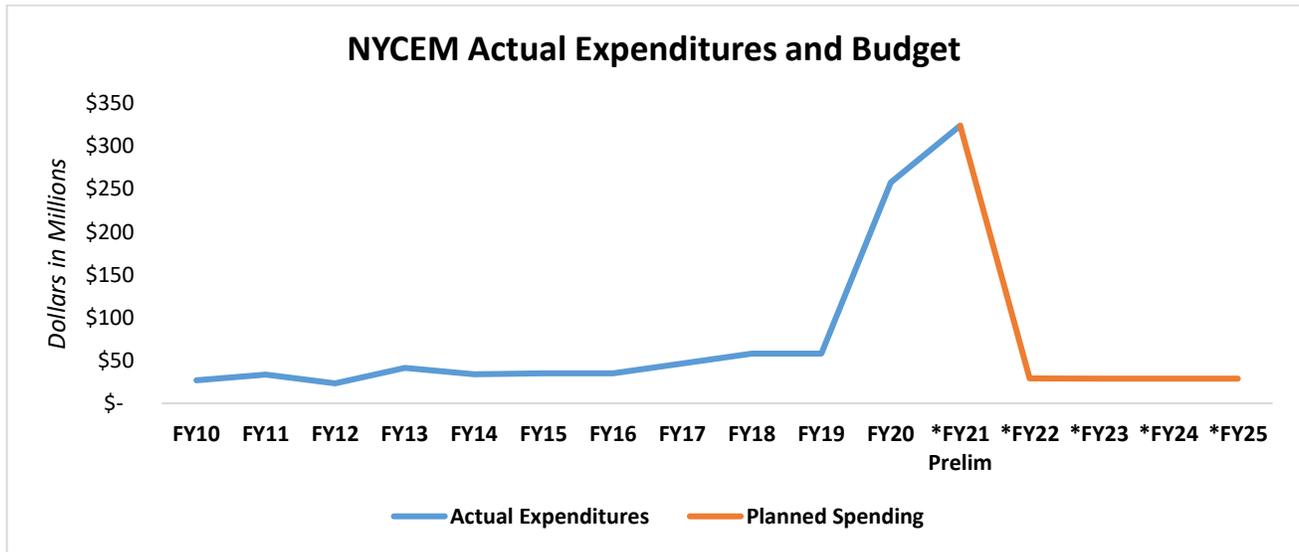


During Fiscal 2021, NYCEM’s budget has grown by more than 1,000 percent from \$29.1 million at adoption to \$324.2 million as of the Preliminary Plan. Most of the increase is due to pandemic-related spending, which the Office of Management and Budget (OMB) did not project when initially developing the budget for this year. In a typical year, NYCEM recognizes an average of \$30.5 million of federal aid during the course of each fiscal year. The November 2020 and Preliminary Plans have added a total of \$288.7 million in federal aid, \$24.6 million of which is from the Urban Area Security Initiative, a usual source of funding for the Department.

Change by Funding Source During Fiscal 2021				
Funding Type	FY21 Adopted	FY21 November	FY21 as of FY22 Preliminary	Change
City Funds	\$28,617	\$28,041	\$27,789	(\$828)
Other Categorical	-	67	67	67
State	-	520	520	520
Federal - Community Development	-	250	6,298	6,298
Federal - Other	511	285,979	289,213	288,702
Intra City	-	63	283	283
Total	\$29,128	\$314,919	\$324,170	\$295,042

Part of the City’s response to the COVID-19 pandemic is reflected in NYCEM’s budget. As the pandemic progressed the City’s financial outlook deteriorated and City-funded spending dropped. At NYCEM however, spending grew to the highest levels ever. NYCEM’s Fiscal 2020 budget of \$258 million was seven times greater than the Fiscal 2020 Adopted Budget, and for Fiscal 2021 planned spending is \$324.2 million. The chart below shows actual expenditures by year. The Five-year average from Fiscal

2015 to Fiscal 2019 was \$46.6 million annually, in Fiscal 2020 when the NYCEM began responding to COVID-19, spending increased greatly.



* Indicates Planned

However, planned spending into the next fiscal year is \$28.9 million, only nine percent of the current Fiscal 2021 budget, the outyears have similar figures to Fiscal 2022. The lasting impact of COVID-19 on the City will be felt into Fiscal 2022 and the outyears, response and recovery including cleaning and sanitizing, vaccinations, and emergency stockpile maintenance, this spending has not been reflected in the Fiscal 2022 Preliminary Budget.

COVID-19 Spending

COVID-19 spending has driven the increase of NYCEM's Fiscal 2021 Budget. As the City's coordinating agency for COVID-19 response, NYCEM's spending and focus has been widespread, including hotels early in the pandemic, surge staffing for medical response, generators, medical supplies, emergency food supplies, consulting and more. NYCEM was able to help coordinate response and fill in gaps where necessary then transferred the responsibilities to applicable agencies.

NYCEM's \$269.4 million in COVID-19 related budgeting is eight percent of the City's \$3.3 billion response toward COVID-19. It is also the sixth most of any City agency, following the Department of Citywide Administrative Services (\$683 million), the Health and Hospitals Corporation (\$612 million), the Department of Sanitation (\$404 million), the Department of Health and Mental Hygiene (\$369 million), and the Department of Homeless Services (\$329 million).

COVID-19 Spending by Type	
As of Jan 22, 2021	Modified Amount
Dollars in Millions	
NYCEM	
Personal Services	\$0.8
Overtime	0.5
Full Year Positions	0.2
Fringe Benefits	0.1
Holiday Pay	0.0
Other Than Personal Services	\$268.6
Professional Service Other	227.0
Equipment General	22.5
Contractual Services General	11.8
Supplies & Materials - General	3.8
Other Expenses General	2.3
Food and Forage Supplies	1.0
Data Processing Services	0.2
Telephone and Other	
Communications	0.0
Printing Supplies	0.0
Total	\$269.4

The majority of the Department's COVID-19 related budgeting, 99 percent, is within OTPS, indicating that the Department supported services, contracting, and tangible response items instead of funding existing staff for PS support, with the Department's mission as the coordinating agency, this response is expected. The table title COVID-19 Spending by Type outlines the Department's spending on COVID-19 related items by PS and OTPS and types of spending within each.

Within OTPS, the object code Professional Service Other has the majority of funding, 84 percent, this object code is broad and is used for a variety of City contracts including emergency hotels, surge staffing for COVID-19, generators, and consulting services. Due to the unpredictable nature of this pandemic, contracts were designed to have a large maximum value to deal with unforeseen issues. For example, the City's primary medical staffing contract under NYCEM had a maximum contract value of \$500 million, but only \$46.2 million was spent since March 2020.

A breakdown of NYCEM's COVID-19 related contracts can be found below. The table outlines the cleared values, which is the dollar amount that has been spent by NYCEM.

NYCEM Contract Spending, Cleared Amount	
<i>As of Jan 22, 2021</i>	Value
<i>Dollars in Millions</i>	
Hotel/Motel Accommodations (Incl. Lodges, Resorts, Bed/Breakfast)	\$132.7
Health Care Services	46.2
Consulting Services	22.9
Professional Services (Not Otherwise Classified)	9.4
Administrative Consulting	8.6
Anesthesia and Respiration Equipment, Hospital: Controls	7.3
Management Consulting	6.6
Professional Medical Services (Including Physicians)	5.6
Warehousing and Storage Services (Not Storage Space Rental)	5.4
Reefer (Refrigerator Boat or Ship), Including Parts	4.9
Transportation Services (Not Otherwise Classified)	4.1
Guard and Security Services	3.7
Insurance and Insurance Services (Not otherwise classified)	1.3
Coolers, Storage Type (Remote Refrigeration Unit)	1.1
Other	5.9
Total	\$265.8

With four months left in Fiscal 2021, the Department has not shown any indication of what COVID-19 related spending will look like in Fiscal 2022, costs such as cleaning, storage, vaccine distribution, and more have not been reflected in the Fiscal 2022 budget.

Hotels

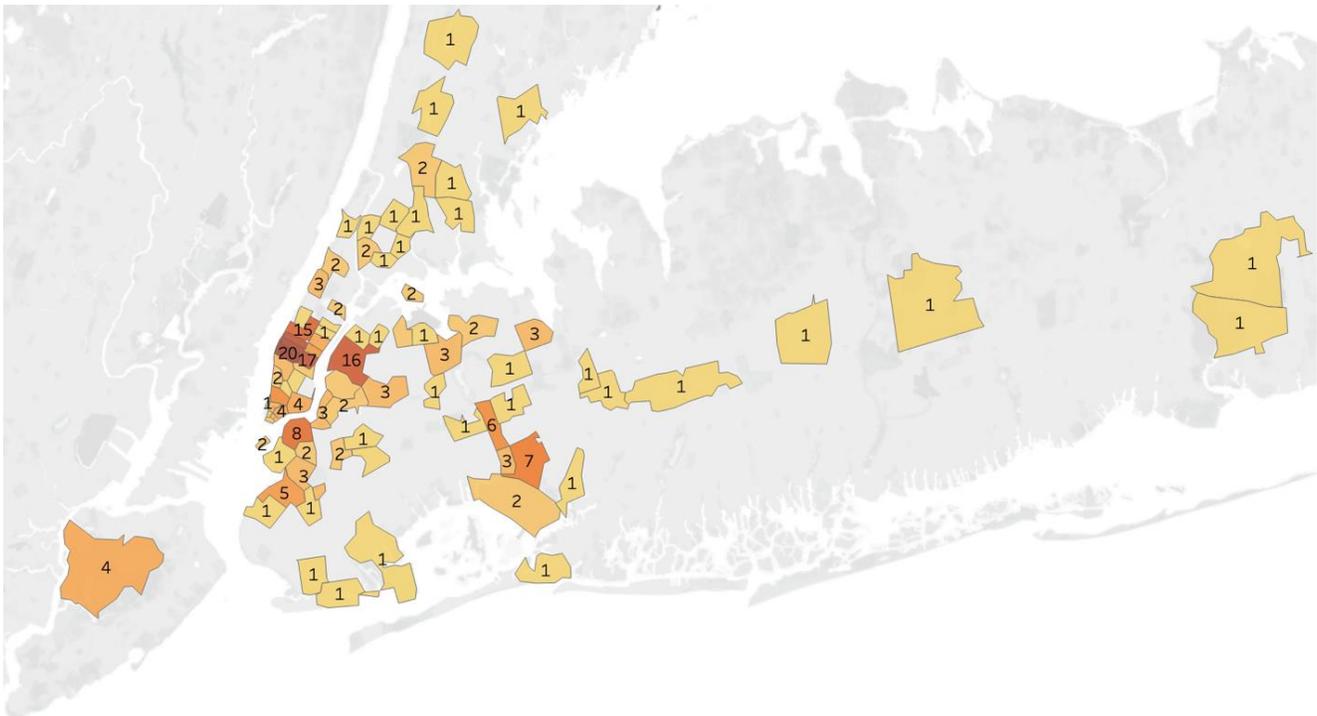
The largest COVID-19 expense for the Department was emergency hotels. The City offered hotel rooms through NYCEM from March to July 31, these hotel rooms were available to people who live with others and do not have adequate space at home to quarantine or isolate who have:

- tested positive for COVID-19;
- exhibit symptoms of COVID-19;
- live with someone who has tested positive; and
- traveling healthcare workers.

After July 31, the hotel program was transferred to the Health and Hospitals Corporation. NYCEM holds two primary hotel related contracts, in total, both contracts have been paid \$122 million, with two thirds of the spending in one of the two contracts. As of February 2021, the larger contract has

been paid \$81.6 million, and the figure could change as reconciliation is ongoing, the second has been paid \$40.5 million. The average cost per room, per night, under the NYCEM contracts is approximately \$125-130. While hotels were under NYCEM, 259 different hotels were used, with 145, or more than half in Manhattan, 56 were in Queens, 35 in Brooklyn, 11 in the Bronx, eight outside of New York City, with locations in Yonkers, New Rochelle, and Long Island and four hotels in Staten Island. Approximately 33,000 individuals participated in the program, using 746,000 nights, and the average stay was 20 days. The further breakdown of people who used emergency hotels by type of use (traveling healthcare worker, tested positive etc.) was not collected by NYCEM.

The map below shows the location and number of hotels by Zip code. Eight hotels were located outside of New York City.



Fiscal 2021 Preliminary Mayor’s Management Report

The Mayor’s Office publishes the Preliminary Mayors Management Report (PMMR) to highlight agency performance through the first four months of the fiscal year, monitoring specific items for each agency. NYCEM has two service goals, first to ensure that City government is ready for emergencies, second, to prepare New York City residents and private sector entities for emergencies. Below are highlights from the Fiscal 2021 PMMR.

- Days Emergency Operations Center was activated.** The Emergency Operations Center (EOC) was activated during every day of the reporting period. The EOC was first activated in February of 2020 for COVID-19, and during the first four months of Fiscal 2021 also was activated for other emergencies, including four heat emergencies, two tropical storms, power outages and severe weather. During the first four months of Fiscal 2020, the EOC was activated for 19 days.

- **Drills and Exercises.** NYCEM prioritizes planning, drills, training and exercises to practice for emergency response. Due to COVID-19 and the associated challenges, participation in these has decreased. Compared to Fiscal 2020, tabletop exercises have decreased from 13 to four, full-scale and functional exercises have decreased from five to two, and participants at emergency management training sessions have decreased 76 percent from 737 to 178.
- **Subscribers to NotifyNYC and other items.** NYCEM uses Notify NYC, CortNet, the Community Preparedness Newsletter and the Advance Warning System to help disseminate information directly to New York City residents. The number of subscribers has increased through COVID-19 to a record high in this reporting period of 911,512, a 23 percent increase from the 789,453 subscribers at this time in Fiscal 2020.
- **Community Emergency Response Team (CERT) volunteer hours.** CERT volunteers are trained members of the community that provide basic response skills for emergency situations. Through the first four months of Fiscal 2021, CERT members have volunteered for 2,800 hours, a 59 percent reduction from the 6,861 hours in the same period in Fiscal 2020. The in-person actions that CERT volunteers usually perform have been reduced due to COVID-19. CERT has been able to support Test and Trace, as well as handing out information and materials to the public and restaurants all around New York

Appendices

A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY21			FY22 City		
	City	Non-City	Total	City	Non-City	Total
NYCEM Adopted FY21 Budget	\$28,617	\$511	\$29,128	\$28,802	\$0	\$28,802
November FY21						
Other Adjustments						
UASI	\$0	\$25,635	\$25,635	\$0	\$0	\$0
FEMA FY21 COVID Addition	0	80,000	80,000	0	0	0
CV Roll from FY20	0	172,000	172,000	0	0	0
Furloughs	(104)	0	(104)	0	0	0
EMPG	0	2,648	2,648	0	0	0
SEMO	0	579	579	0	0	0
Agiliti Ventilator Stockpile	0	938	938	0	0	0
Stockpile Insurance	0	1,275	1,275	0	0	0
Other Mods	0	3,004	3,004	0	845	845
2625 OREGON WILDFIRES	0	40	40	0	0	0
CD Funding Takedown	0	250	250	0	0	0
IT Contract Savings	(0)	0	(0)	0	0	0
Subtotal, Other Adj. Nov	(\$104)	\$286,368	\$286,263	\$0	\$845	\$845
Savings						
Overtime Funding Swap	(\$190)	\$0	(\$190)	\$0	\$0	\$0
PS Savings for Grant Personnel	(282)	0	(282)	(307)	0	(307)
Subtotal Savings	(\$472)	\$0	(\$472)	(\$307)	\$0	(\$307)
Total November Plan	(\$576)	\$286,368	\$285,791	(\$307)	\$845	\$538
Prelim FY22						
Other Adjustments						
GetCool	\$0	\$6,048	\$6,048	\$0	\$0	\$0
FY21 T2 NYCEM Buses	0	100	100	0	0	0
Trucking Support	0	120	120	0	0	0
EMPG	0	3,015	3,015	0	0	0
UASI	0	200	200	0	0	0
Other Mods	(28)	20	(8)	0	0	0
Subtotal, Other Adj. Jan	(\$28)	\$9,503	\$9,474	\$0	\$0	\$0
Savings						
Hiring and Attrition Management	(\$29)	\$0	(\$29)	\$0	\$0	\$0
PS Savings	(194)	0	(194)	(402)	0	(402)
Subtotal Savings	(\$223)	\$0	(\$223)	(\$402)	\$0	(\$402)
Total Preliminary Plan	(\$252)	\$9,503	\$9,251	(\$402)	\$0	(\$402)
Grand Total	\$(828)	\$295,870	\$295,042	\$(709)	\$845	\$136
NYCEM Prelim FY21 Budget	\$27,788	296,381	\$324,170	\$28,093	\$845	\$28,938