

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 2020 Preliminary Budget and the
Fiscal 2019 Preliminary Mayor's Management Report for the
New York City Emergency Management

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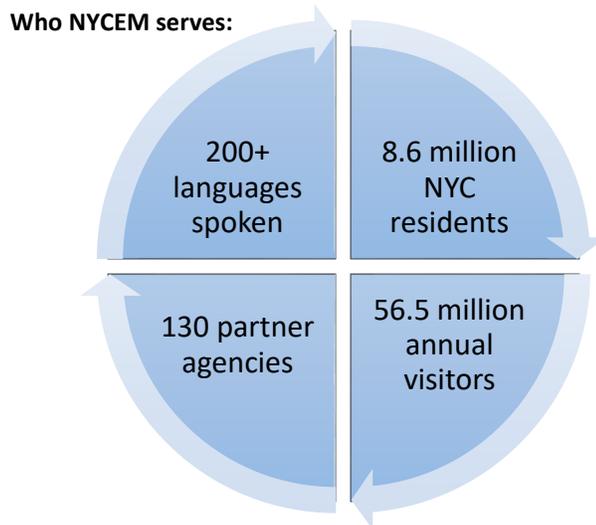
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New York City Department of Emergency Management Overview

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.

This report provides a review of NYCEM’s Preliminary Budget for Fiscal 2020. In the first section, the highlights of the agency’s \$30.9 million Fiscal 2020 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 2019. NYCEM does not have a Capital Budget.



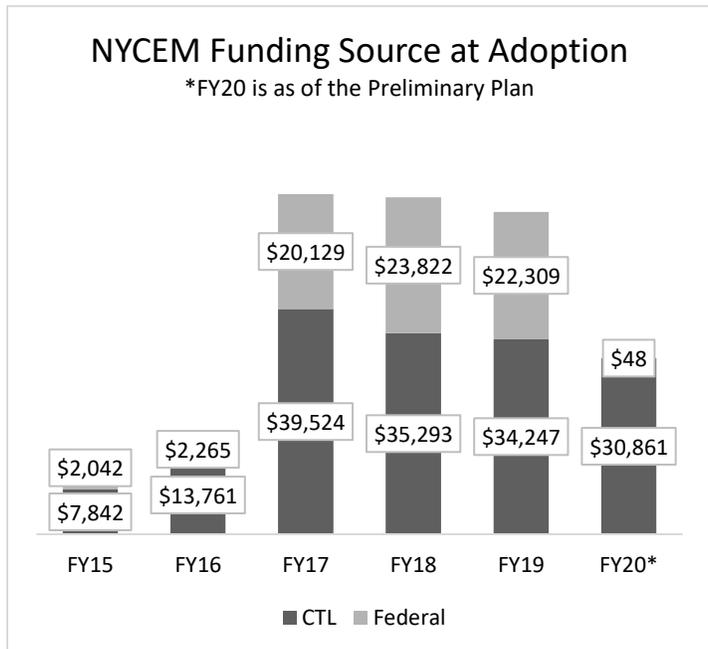
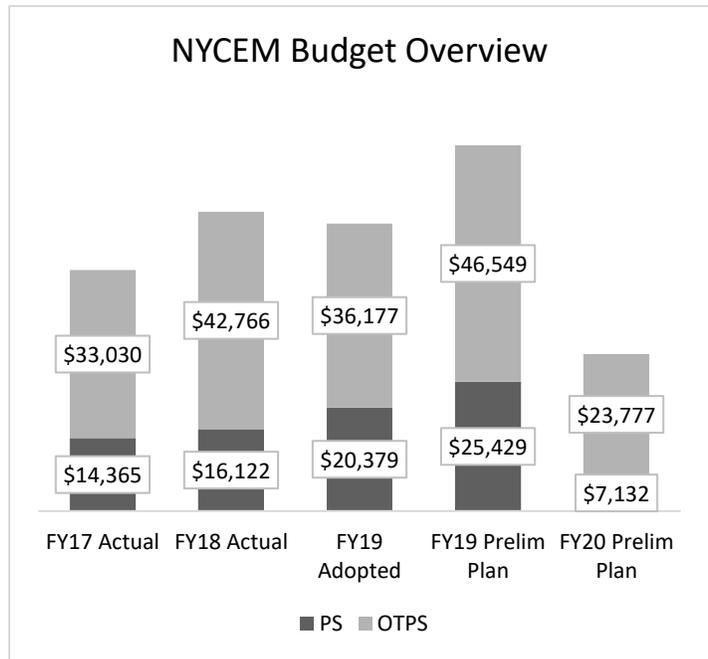
Fiscal 2020 Preliminary Budget

The NYCEM’s Fiscal 2020 Preliminary Budget totals \$30.9 million, including \$7.1 million for personal services (PS) and \$23.8 million for other than personal services (OTPS). NYCEM’s OTPS budget comprises approximately 77 percent of the agency’s Fiscal 2020 Preliminary Budget. The chart below shows NYCEM’s actual expenditures in Fiscal 2017 and 2018, the Fiscal 2019 Adopted Budget, the Fiscal 2019 Budget as of the Preliminary Financial Plan, and the proposed budget for Fiscal 2020. As the chart on the next page indicates, NYCEM’s budget has grown by 28 percent between Fiscal 2017 and Fiscal 2019. However, the Fiscal 2020 Preliminary Budget presents a dramatically decreased overall budget by approximately \$25.6 million when compared to the Fiscal 2019 Adopted Budget.

Fiscal 2020 Preliminary Budget drops by \$25.6 million when compared to the Fiscal 2019 Adopted Budget; it is \$22.2 million less than the current budget.

The dramatic difference shown for Fiscal 2020 results from the Office of Management and Budget’s (OMB) budgeting practice whereby non-City funds are not included in the Preliminary Plan but are recognized during the course of a fiscal year. A look at NYCEM’s budget funding source at Adoption over time shows that City tax-levy (CTL) has grown greatly from Fiscal 2016 to 2017 by \$25.8 million, an increase of 187 percent. At its peak in Fiscal 2017, CTL accounted for 66 percent of NYCEM’s Adopted Budget. Federal funding recognized at Adoption also increased those same years by \$17.9 million, an increase of 789 percent. Since Fiscal 2017, CTL portion has been consistently above \$30 million. The federal portion has been consistently above \$20 million at Adoption, although this increases throughout the fiscal year. Although federal funding for the Fiscal 2020 Preliminary Budget is currently only \$48,000, this is likely to increase by the time of Adoption.

Given NYCEM’s 2017-2021 Strategic Plan and the instability of federal funding due to the nature of its fiscal cycle and grant status, 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 2020 Preliminary Budget

- New Needs.** Since the adoption of the Fiscal 2019 Budget, NYCEM has identified \$126,000 in new needs for Fiscal 2019 adding two auditing staff dedicated to financial recovery and compliance tasks, and one meteorologist to expand the City’s forecasting capabilities and better predict road conditions during winter weather.

Financial Plan Summary

NYCEM Financial Summary						
<i>Dollars in Thousands</i>						
	FY17	FY18	FY19	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY19	FY20	FY19-FY20
Spending						
Personal Services	\$14,365	\$16,122	\$20,379	\$25,429	\$7,132	(\$13,247)
Other Than Personal Services	33,030	42,766	36,177	46,549	23,777	(12,399)
TOTAL	\$47,395	\$58,888	\$56,555	\$71,978	\$30,909	(\$25,646)
Funding						
City Funds			\$34,247	\$34,972	\$30,861	(\$3,386)
Other Categorical			0	81	0	0
State			0	675	0	0
Federal - Other			22,309	35,429	48	(22,261)
Intra City			0	822	0	0
TOTAL	\$47,395	\$58,888	\$56,555	\$71,978	\$30,909	(\$25,646)
Budgeted Headcount						
Full-Time Positions - Civilian	166	182	187	193	70	(117)
TOTAL	166	182	187	193	70	(117)

**The difference of Fiscal 2019 Adopted Budget compared to Fiscal 2020 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 2020 Preliminary Budget is \$25.6 million less than the Fiscal 2019 Adopted Budget, which totaled \$56.5 million. The decrease is due to a \$13.2 million decrease in the PS budget and a \$12.4 million decrease in the OTPS budget. This is largely attributed to a \$22.3 million decrease in federal funding when compared to the Fiscal 2019 Adopted Budget. The agency's Fiscal 2019 budget under this Plan increases by \$15.4 million, or approximately 27 percent, when compared to the Fiscal 2019 Adopted Budget. This is due to NYCEM recognizing an additional \$13.1 million in federal funding for Fiscal 2019 in the Preliminary Plan.

NYCEM typically does not recognize federal funding until after the Preliminary Plan. The Preliminary Plan indicates that NYCEM's Fiscal 2020 Preliminary Budget is so far comprised solely of City tax-levy funds at \$30.9 million or 99.8 percent. As of the Fiscal 2020 Preliminary Plan, NYCEM has only recognized \$48,000 in federal funding. NYCEM receives a number of federal grants to support its operations, but these are not entirely reflected in the agency's Fiscal 2020 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 2020 will not be known until after grant requests are approved and awarded. However, in the Fiscal 2019 Preliminary Plan, NYCEM recognized \$22.3 million in federal funding. This raises concerns as to whether NYCEM would be able to receive federal funding in time for the beginning of Fiscal 2020, and what would the contingency plan for staffing and program funding be if sufficient federal funding is not allocated.

Generally, one of NYCEM's major federal funding source is the Urban Areas Security Initiative (UASI) grant. 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 source 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. As of the Fiscal 2020 Preliminary Budget, the agency has only received \$48,000 in UASI grants, which is baselined in NYCEM's budget. For Fiscal 2019, the agency has received \$24.3 million in UASI grants, of which \$10 million supports 122 positions, as of the Preliminary Plan. The Fiscal 2019 Adopted Budget recognized \$22.1 million in UASI grants. From the Fiscal 2019 Adopted Budget to the current budget, UASI grants increased by \$2.2 million or approximately 10 percent.

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 2020 budgeted headcount consists of 69 City-funded positions, and one position funded by federal funds. The headcount breakdown is as follows: 44 full-time positions at NYCEM; 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 20 full-time positions for Special City Projects.

NYCEM's budget supports the following divisions and units within the agency¹.

- **Administration & Finance.** Administration supports and manages all business practices of the agency, including procurement, travel, and all general agency needs. Finance has three units – the budget team supports operations and programs by managing the fiscal practices of the agency and improving resources to achieve the agency's objectives; the grants team identifies and secures grant funding and maintains funding for key agency programs; and the procurement team provides the agency with appropriate goods and services in support of operations and long-term goals.
- **Training, Exercises & Evaluation.** EOC Management oversees the Emergency Operations Center (EOC). Training facilitates, develops, and conducts agency and partner training. Exercises designs and conducts tabletop, functional, and full-scale exercises each year.
- **External Affairs.** External Affairs includes communications, community outreach, intergovernmental affairs, public information, and public/private initiatives.
- **Legal.** The Legal Division consists of legal advisors that advise the commissioner and agency executives on legal matters, and records management that creates and maintains a filing system for agency records.
- **Operations.** Operations includes a response team that works closely with the Watch Command. The Watch Command monitors citywide radio frequencies, local, national and international media, and weather 24-hours a day, seven days a week. This unit is also responsible for managing Notify NYC, the City's emergency communications program.
- **Planning and Preparedness.** This division develops, exercises, and coordinates all of the City's emergency plans, and liaises with state, federal, nonprofit and other entities.
- **Security.** This division maintains security procedures and policies, and conduct threat vulnerability assessments.
- **Technology and Strategic Resources.** This division is comprised of geographic information systems division, information technology division, logistics, and support services.

In addition to the staffing and work above, NYCEM is also the sponsoring agency for the City's New York Task Force 1, which includes personnel from Fire Department of New York (FDNY), New York

¹ <https://www1.nyc.gov/site/em/about/divisions-units.page>

Policy Department (NYPD), and Emergency Medical Services (EMS). New York Task Force 1 is part of Urban Search & Rescue (US&R), which is the process of locating, extricating and providing medical treatment to victims trapped because of structural collapses and other natural or man-made emergencies. National US&R consists of 28 task forces located throughout the country.

The OTPS budget includes funding for the contract budget. NYCEM's Fiscal 2020 Contract Budget totals \$7.7 million for six contracts, accounting for 32.6 percent of the Office's OTPS budget. Contracts for Professional Services – Other comprise a substantial portion (74 percent) of the Office's total contract budget. Professional Services – Other typically includes UASI grant that supports NYCEM's OTPS budget to fund Notify NYC and for logistics work at the Office. However, the Fiscal 2020 Preliminary Budget does not recognize any UASI funding to support NYCEM's contract budget yet. Additionally, the Fiscal 2020 Preliminary Contract Budget is \$10.4 million less than the Fiscal 2019 Adopted Budget of \$18.2 million. This is largely attributed to the agency not yet having recognized its full federal funding.

Financial Plan Actions. The Preliminary Financial Plan introduces budget changes that increase NYCEM's Fiscal 2019 Budget by \$15.4 million and decrease the agency's Fiscal 2020 Budget by \$25.6 million. Changes consist of other adjustments; a very modest new needs package of merely \$126,000 for Fiscal 2019, and \$3.1 million for Fiscal 2020. All of the changes are shown in the Appendix.

New Needs

- **Auditing Staff.** The Fiscal 2020 Preliminary Plan includes \$77,000 in Fiscal 2019 and \$154,000 in Fiscal 2020 and in the outyears to support two staff dedicated to financial recovery and compliance tasks. According to the agency, this is to strengthen NYCEM's oversight and monitoring of federal and state grants, and compliance with fiscal policies, as well as ongoing audits.
- **Snow Response Enhancements.** The Fiscal 2020 Preliminary Plan includes \$49,000 in Fiscal 2019, \$2.9 million in Fiscal 2020, and \$99,000 in Fiscal 2021 and in the outyears to support one staff and OTPS resources to expand the City's forecasting capabilities and better predict road conditions during winter weather. The PS budget is the salary for a meteorologist, and the OTPS budget is for road sensor equipment, installation and a thermal mapping study to support this work.

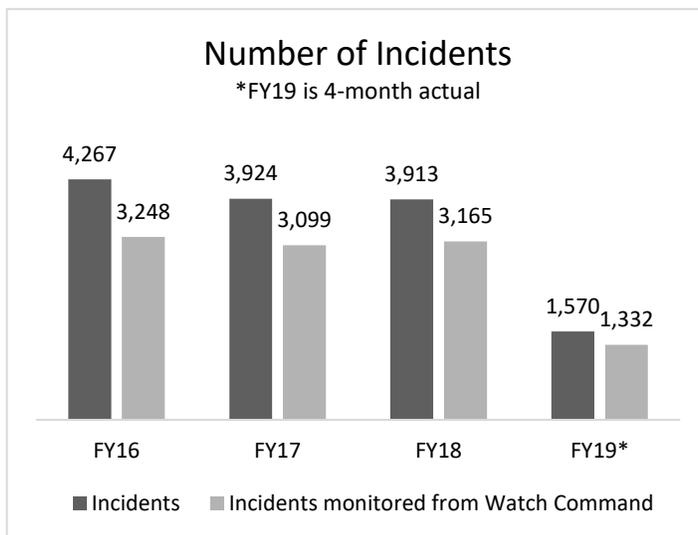
Fiscal 2019 PMMR Performance Measures

The Fiscal 2019 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 2016 to Fiscal 2018, target data for Fiscal 2019 and Fiscal 2020, and four-month actual data for Fiscal 2018 and Fiscal 2019. 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	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
Incidents	4,267	3,924	3,913	*	*	1,217	1,570
Field Responses	1,019	825	748	*	*	240	239
Incidents monitored from Watch Command	3,248	3,099	3,165	*	*	977	1,332
Interagency meetings held during field responses	277	198	204	*	*	65	78
Emergency Operations Center activations	6	15	15	*	*	3	2
Full-scale and functional exercises/drills	11	18	15	14	14	3	9
Tabletop exercises and simulations	27	20	22	31	31	10	13
Participation in drills coordinated by other agencies or organizations	53	41	49	*	*	16	16
Participants at instructor-led emergency management training sessions	3,430	2,626	3,131	2,500	2,500	958	1,217
Total participants at emergency preparedness education sessions	103,648	92,863	102,569	75,000	75,000	40,975	33,919
Ready New York webpage views	81,570	42,674	24,561	*	*	10,860	6,823
Subscribers to Corpnet System	1,545	1,490	1,496	*	*	1,530	1,566
Community Emergency Response Team (CERT) volunteer hours	17,430	17,779	21,286	*	*	7,045	4,117
CERT members trained	168	172	118	*	*	0	0
Notify NYC messages issued	1,505	1,986	1,626	*	*	450	744
Average time from incident to issuing of Notify NYC message (minutes:seconds)	6:00	6:44	7:50	7:00	7:00	8:07	6:10
Subscribers to Notify NYC, CorpNet, Advance Warning System, and Citizen Corps Newsletter	415,203	559,928	752,540	*	*	621,038	762,007



As noted earlier in the report, NYCEM was actively involved in 1,570 incidents that necessitated interagency coordination, a 29 percent increase during the same reporting period in Fiscal 2018. Although the number of incidents increased during the first four months of Fiscal 2019, the number of incidents that necessitates interagency coordination has been slightly declining year to year. Similar to the increase in the number of incidents that NYCEM was involved in from July to October, the number of incidents monitored from Watch Command also increased during the first four months of

Fiscal 2019 to 36 percent when compared to Fiscal 2018. However, the number of incidents monitored from the Watch Command remains relatively flat from Fiscal 2016 to 2018. Of the total number of incidents, around 76 to 85 percent are incidents monitored from Watch Command. The PMMR does not explain why certain incidents are monitored and not monitored by the Watch Command. Additionally, the PMMR does not provide reasons for such interagency coordination, and why this number increased 29 percent in Fiscal 2019. Furthermore, EOC was activated only two times from July to October for a flash flood and a steam main explosion, a decrease of one when compared to the same reporting period in Fiscal 2018.

Appendix:

A. Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY19			FY20		
	City	Non-City	Total	City	Non-City	Total
NYCEM Budget as of the Adopted FY19 Budget	\$34,246	\$22,308	\$56,554	\$26,675	\$944	\$27,619
New Needs						
Auditing Staff	\$77	\$0	\$77	\$154	\$0	\$154
Snow Response Enhancements	49	0	49	2,939	0	2,939
Subtotal, New Needs	\$126	\$0	\$126	\$3,093	\$0	\$3,093
Other Adjustments						
City Service Corps	(\$14)	\$0	(\$14)	\$0	\$0	\$0
Local Initiatives	6	0	6	0	0	0
Rolled Funding	0	4,169	4,169	0	0	0
UASI Grants	0	1,433	1,433	0	0	0
Vacancy Reductions	0	0	0	(107)	0	(107)
Various Collective Bargaining	607	0	607	1,201	0	1,201
Various Other Categorical	0	45	45	0	0	0
Various Federal Grants	0	8,963	8,963	0	(896)	(896)
Subtotal, Other Adjustments	\$599	\$14,610	\$15,209	\$1,094	(\$896)	\$198
TOTAL, All Changes	\$725	\$14,610	\$15,335	\$4,187	(\$896)	\$3,291
NYCEM Budget as of the Preliminary FY20 Budget	\$34,972	\$37,006	\$71,978	\$30,861	\$48	\$30,909

B. NYCEM Contract Budget

NYCEM FY20 Preliminary Contract Budget				
<i>Dollars in Thousands</i>				
Category	FY19 Adopted	Number of Contracts	FY20 Preliminary	Number of Contracts
Contractual Services - General	\$6,541	1	\$1,843	1
Data Processing Equipment Maintenance	20	1	20	1
Maintenance and Repairs - Motor Vehicle Equip	87	1	85	1
Office Equipment Maintenance	37	1	37	1
Printing Services	250	1	0	0
Prof. Services - Other	11,215	1	5,756	1
Transportation Services	1	1	1	1
TOTAL	\$18,152	7	\$7,742	6