

Worksession

MEMORANDUM

April 5, 2011

TO: Public Safety Committee

FROM: *KL* Keith Levchenko, Senior Legislative Analyst

SUBJECT: **Worksession: FY12 Operating Budget: Office of Emergency Management and Homeland Security (OEMHS)**

Council Staff Recommendation: Approve the OEMHS General Fund and Grant Fund budgets as recommended by the County Executive.

The Executive's recommendation for the Office of Emergency Management and Homeland Security (OEMHS) is attached on ©1-5. The following officials and staff are expected to attend the worksession:

- Chris Voss, Manager, OEMHS
- Debbie Greenwell, OEMHS
- Adam Damin, Office of Management and Budget

Overview

Table #1
OEMHS Total Expenditures and Positions/Workyears (General Fund and Grant Fund)

	Actual FY10	Approved FY11	Estimated FY11	CE Rec FY12	Change FY12-FY11	
					\$\$\$	%
Personnel Costs	1,004,568	1,056,440	1,602,530	1,162,590	106,150	10.0%
Operating Expenses	1,459,468	276,650	8,373,050	254,110	(22,540)	-8.1%
Capital Outlay	-	-	-	-	-	n/a
Total	2,464,036	1,333,090	9,975,580	1,416,700	83,610	6.3%
Full-Time Positions	9	10	10	11	1	10.0%
Part-Time Positions	-	-	-	1	1	n/a
Workyears	8.6	8.9	8.9	10.8	1.9	21.3%

As shown in the above chart (which includes both the General Fund and Grant Fund), for FY12, the Executive recommends total expenditures of \$1,416,700 for OEMHS, an increase of \$83,610 (or 6.3%) from the FY11 Approved Budget. A net of 1 new and 1 part time position and 1.9 workyears are assumed. The General Fund and Grant Fund Trends are broken out separately below:

**Table #2
OEMHS Total Expenditures and Positions/Workyears (By Fund)**

General Fund	Actual	Approved	Estimated	CE Rec	Change FY12-FY11	
	FY10	FY11	FY11	FY12	\$\$\$	%
Personnel Costs	575,712	1,056,440	953,730	993,790	(62,650)	-5.9%
Operating Expenses	210,541	276,650	345,240	254,110	(22,540)	-8.1%
Capital Outlay	-	-	-	-	-	-
Total	786,253	1,333,090	1,298,970	1,247,900	(85,190)	-6.4%
Full-Time Positions	9	9	9	8	(1)	-11.1%
Part-Time Positions	-	-	-	1	1	n/a
Workyears	8.6	7.9	7.9	7.8	(0.1)	-1.3%
Grant Fund						
Personnel Costs	428,856	-	648,800	168,800	168,800	n/a
Operating Expenses	1,248,927	-	8,027,810	-	-	n/a
Capital Outlay	-	-	-	-	-	n/a
Total	1,677,783	-	8,676,610	168,800	168,800	n/a
Full-Time Positions	0	1	1	3	2	200.0%
Part-Time Positions	0	-	-	0	-	n/a
Workyears	0.0	1.0	1.0	3.0	2.0	200.0%

As shown above, the General Fund would decrease in FY12 by 6.4% as a result of the change of one position from full time to part time and some other miscellaneous adjustments. The Grant Fund includes \$168,800 and 2 new term positions for FY12. A crosswalk from FY11 to FY12 of recommended changes is included on ©5.

FY11 Savings Plan and 2nd Quarterly Analysis

As part of the FY11 Savings Plan, the Executive submitted (and the Council concurred with) \$13,330 in General Fund operating expense reductions in the OEMHS budget. The more recent Second Quarterly Analysis prepared by the County Executive assumes a greater overall year-end surplus of \$34,120, as shown on the following chart:

**Table #3
FY11 Savings Plan and 2nd Quarterly Analysis Savings Comparison**

	FY11 Original General Fund Budget	FY11 Savings Plan	FY11 2nd QA	Change from Savings Plan
Personnel Costs	1,056,440	-	(102,710)	(102,710)
Operating Expenses	276,650	(13,330)	68,590	81,920
- Reduce number of phone lines		(8,030)		
- Reduce paper and printing costs		(5,300)		
Total	1,333,090	(13,330)	(34,120)	(20,790)
percent change from Original Budget		-1.0%	-2.6%	-1.6%

As shown, the surplus is occurring in personnel costs (due to a position vacancy), while operating expenses are expected to exceed the original budget as a result of the replacement and repair of equipment for the Emergency Operations Center (EOC). Overall however, as a result of the changes, the overall year-end savings is projected to climb from 1.0% to 2.6% of the FY11 OEMHS General Fund Budget.

Position Changes

The Executive recommends a net increase of 1 full-time and 1 part-time position across both the General and Grant Funds. In the General Fund, a full-time position is being reduced to part-time. One-time workyear reductions from FY11 furloughs are also restored in FY12, since the County Executive is not recommending furloughs for FY12. The grant fund is showing an increase of 2.0 workyears. The following chart presents the recommended workyear changes assumed in the FY12 Operating Budget.

**Table 4:
Workyear Changes in OEMHS Operating Budget**

	WYs	Comments
New Positions		
Program Manager I	2.0	Added two new EMPG grant-funded term positions
Program Specialist II (P/T)	0.6	Changed from F/T to P/T (see below)
Abolished Positions		
Program Specialist II	-1.0	Changed from F/T to P/T (see above)
Miscellaneous Adjustments	0.3	Restore workyears from FY11 furloughs
	1.9	Total workyear changes

Lapse

OEMHS did not have any lapse assumed in the Approved FY11 budget (although it has subsequently experienced lapse savings as a result of a vacant position) and none is assumed for the FY12 Recommended Budget. Typically, a County Government department may have a lapse rate of 2 to 3% to account for regular attrition (and turnover savings) from year to year. However, OEMHS is a small office with several grant-funded positions where lapse savings cannot be diverted to the General Fund.

FY12 Expenditure Issues

Issue #1: **-\$57,070 (-.4WY) Reduction in Testing and Evaluation of the Response and Situational Awareness Systems**

This cut is the only recommended reduction noted as having a service impact in the OEMHS budget. According to OEMHS, the impact of this reduction will be the reduced testing of various systems. While not desirable, OEMHS believes this reduction can be accommodated without major impact. Council Staff asked OEMHS for details regarding this reduction; they are provided below:

- *Standard maintenance on all EOC computers: Currently all computers are tested every two weeks for software updates, making sure that they work correctly and proper connections are maintained. This will be performed fully once a month.*
- *Testing and maintain all EOC communication equipment. Currently done once a week, now reduced to once or twice a month, depending on the system*
- *Testing of the EOC display walls: performed once every two weeks, will be performed once a month*
- *Training of all staff on EOC systems and related updates: Currently done once every 2 months, will be reduced to twice a year*
- *Support and work with County RACES program: Currently level of effort is about once per month – will be reduced to once per quarter. While we do support this group, changes in technology our role is becoming less and less.*

Issue #2 Add Emergency Management Performance Grant (EMPG) (\$168,800)

This addition reflects the only grant-funded expenditures assumed in the FY12 Recommended Budget for OEMHS. Below is a summary (provided by OEMHS) of the responsibilities of these new term positions:

Program Manager I – Emergency Planner; is responsible for researching, formulating, coordinating and maintaining emergency and administrative plans as they relate to county and region wide domestic preparedness, mitigation, response and recovery activities and operations.

Program Manager I – Exercise and Training Planner; is responsible for coordinating all homeland security and emergency management related exercises and training activities for the department as well as within the County at-large and with the region. This person will also be involved with the regional Exercise and Training Operations Panel (ETOP) group and work very closely with the county's ETOP representative.

Typically, grant revenues and expenditures are not assumed in the “Budget” or “Recommended” columns in the Recommended Budget, since a grant award typically occurs during the year. The grant is reflected in the “Estimated” column and then later the “Actual” column of the budget. However, in this case, while the current grant term expires June 30, OMB fully expects the grant to continue in FY12. Therefore, the term positions are reflected in the Recommended Budget and planned to be filled by July 1.

Operating Expense Reductions

The OEMHS Budget also assumes some operating expense reductions from its FY11 budget, including: reduced phone lines (per its FY11 Savings Plan), as well as some reductions in training and travel.

FY11 Revenues

Revenues from Hazardous Materials Permits are recommended as follows:

**Table #5:
Hazardous Materials Permits Revenues**

Actual FY10	Approved FY11	Estimated FY11	CE Rec FY12
785,131	700,000	725,000	710,000

As noted during last year's FY11 budget discussion, FY10 represented a spike in revenues as a result of a settlement with T-Mobile that resulted in some advance revenues being received in FY10. FY11 fees are assumed to be slightly higher than budget based on actual revenue activity to date through FY11. For FY12, the County Executive recommends a slight increase in revenue from the Approved FY11 budget (although slightly less than estimated for FY11, as a result of some unique pre-payments and penalties received during FY11).

Council Staff Recommendation

Council Staff recommends approval of the OEMHS General Fund and Grant Fund budgets (revenues and expenditures) as recommended by the County Executive.

Attachments

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Emergency Management and Homeland Security

MISSION STATEMENT

It is the mission of the Office of Emergency Management and Homeland Security (OEMHS) to plan, coordinate, prevent, prepare, and protect against major threats that may harm, disrupt, or destroy our communities, commerce, and institutions and to effectively manage and coordinate the County's unified response, mitigation, and recovery from the consequences of such disasters or events should they occur. Key objectives are to:

- Coordinate County plans and actions to minimize harm to residents, employees, and visitors in Montgomery County before, during, and after emergencies.
- Coordinate the services, protection, and contingency plans for sustained operations of County facilities.
- Coordinate and provide public education to ensure the resilience of our communities during disasters.
- Coordinate homeland security policies and priorities, including grant seeking, management, and reporting.

BUDGET OVERVIEW

The total recommended FY12 Operating Budget for the Office of Emergency Management and Homeland Security is \$1,416,700, an increase of \$83,610 or 6.3 percent from the FY11 Approved Budget of \$1,333,090. Personnel Costs comprise 82.1 percent of the budget for 11 full-time positions and one part-time position for 10.8 workyears. Operating Expenses account for the remaining 17.9 percent of the FY12 budget.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Safe Streets and Secure Neighborhoods***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY11 estimates incorporate the effect of the FY11 savings plan. FY12 and FY13 targets assume the recommended FY12 budget and FY13 funding for comparable service levels.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Conducted dozens of exercises and drills including two senior level tabletop workshops to engage senior leadership.***
- ❖ ***Managed the successful activation of the Emergency Operations Center for several county-wide emergencies including the January 2011 snow, traffic, and power event, and the 2011 brush fire.***
- ❖ ***Continued to expand the use of Alert Montgomery to include the Montgomery County Police Department so that members can receive information based on the District they reside in.***
- ❖ ***Enhance WebEOC, a communications and task management software system for use by Emergency Operations Center responders.***
- ❖ ***Productivity Improvements***
 - ***Use of new check processing software and equipment to improve efficiency of the Hazmat Permitting Program.***
 - ***Expand existing alert notification software to increase the ability of other county organizations to provide timely emergency notifications to their target groups.***

PROGRAM CONTACTS

Contact Debbie Greenwell of the Office of Emergency Management and Homeland Security at 240.777.2201 or Adam Damin of the Office of Management and Budget at 240.777.2794 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Emergency Management Planning, Response & Recovery

This program includes the Office of Emergency Management and Homeland Security and provides plans for consequence management, mitigation, and response to natural and man-made disasters, including terrorist events that may involve chemical, biological, radiological/nuclear, or explosive/incendiary devices. Activities involve compliance with Federal and State requirements for emergency management planning and operations; consequence management; logistics support, administration, and finance coordination; liaison with Federal, State, regional, and local agencies; sheltering and relief support; coordination of regional policy-level decision making and public information dissemination; and public education. Regional coordination is provided through the emergency support functions of the regional, State, and Federal agencies as outlined in the Regional and National Response Framework. The Emergency Management Group (EMG) is supported by this program when it activates to the Emergency Operations Center (EOC) in response to emergencies.

Elements of this program include:

- Emergency Operation Plan updates, training, and implementation.
- Planning, coordination, and operation of information and communication systems in the EOC to support the EMG in consequence management, resource allocation, logistics and mutual aid support, and decision making.
- Establishment and maintenance of an asset management inventory of available resources that can be used to support an EMG response and recovery operation, including resources from private and non-profit organizations.
- Public health coordination of hospitals for disaster and terrorist event response.
- Coordination for public health planning for large-scale mass population medical dispensing, and strategies for isolation and quarantine for management of disease outbreaks, if required.
- Coordination of Fire, Police, Public Health Services, Transportation, and other appropriate County departments and agencies regarding incident command systems and training/certification on the use and application of the National Incident Management System.
- Coordination and management of volunteers and communications organizations that can support disaster response – the Radio Amateur Civil Emergency Service, Civil Air Patrol.
- Support and management for the Local Emergency Planning Council regarding “community right to know” requirements and providing advice and recommendations to the County Executive and County Council regarding the storage of certain hazardous materials in the County.
- Management of the County’s Hazardous Permitting Program, in conjunction with Federal law, regarding the licensing and permitting of facilities and the handling and storage of certain regulated hazardous materials.
- Conduct multi-discipline exercises with the County and regional partners.
- Maintain the EOC and the information and situation awareness systems therein.

<i>Program Performance Measures</i>	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Available capacity for overnight shelter	4,000	4,000	4,000	4,000	4,000
Number of Alert Montgomery subscribers ¹	40,000	70,000	75,000	75,000	75,000
Percentage of Critical Facility Plans reviewed within 90 days of submission/contract	NA	90%	90%	90%	90%
Percentage of Emergency Alerts sent within 20 minutes of information being received by the Office of Emergency Management and Homeland Security	NA	90%	95%	95%	95%
Percentage of Emergency Management accreditation standards met	50%	60%	60%	60%	60%
Percentage of Emergency Operations Center systems tested for reliability	100%	100%	100%	100%	100%
Percentage of National Incident Management System (NIMS) training requirements met by the County	95%	95%	95%	95%	95%
Percentage of required exercises and drills completed	300%	100%	100%	100%	100%
Percentage of short term disaster and exercise corrective action issues resolved within 6 months	NA	40%	40%	40%	40%
Percentage of the County's 19 municipalities participating in Federal Emergency Management Agency's National Flood Insurance Program	100%	100%	100%	100%	100%

¹ Includes Montgomery County employees

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,139,160	7.1
Add: Emergency Management Planning Grant	168,800	2.0
Reduce: Testing and Evaluation of the Response and Situational Awareness Systems	-57,070	-0.4
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-21,370	0.4
FY12 CE Recommended	1,229,520	9.1

Administration

This program includes planning, directing, managing, and operating the OEMHS as well as other administrative duties, including centralized application for and management of homeland security and related grants. Development of homeland security policies, protocol, and priorities is managed through the Homeland Security Directorate, chaired by the Manager of OEMHS.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	193,930	1.8
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-6,750	-0.1
FY12 CE Recommended	187,180	1.7

BUDGET SUMMARY

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	441,082	797,890	712,080	771,800	-3.3%
Employee Benefits	134,630	258,550	241,650	221,990	-14.1%
County General Fund Personnel Costs	575,712	1,056,440	953,730	993,790	-5.9%
Operating Expenses	210,541	276,650	345,240	254,110	-8.1%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	786,253	1,333,090	1,298,970	1,247,900	-6.4%
PERSONNEL					
Full-Time	9	9	9	8	-11.1%
Part-Time	0	0	0	1	—
Workyears	8.6	7.9	7.9	7.8	-1.3%
REVENUES					
Hazardous Materials Permits	785,131	700,000	725,000	710,000	1.4%
County General Fund Revenues	785,131	700,000	725,000	710,000	1.4%
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	323,282	0	463,160	148,240	—
Employee Benefits	105,574	0	185,640	20,560	—
Grant Fund MCG Personnel Costs	428,856	0	648,800	168,800	—
Operating Expenses	1,248,927	0	8,027,810	0	—
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	1,677,783	0	8,676,610	168,800	—
PERSONNEL					
Full-Time	0	1	1	3	200.0%
Part-Time	0	0	0	0	—
Workyears	0.0	1.0	1.0	3.0	200.0%
REVENUES					
UASI NIMS Coordinator	0	0	125,000	0	—
UASI Emergency Medical Services	0	0	1,545,000	0	—
UASI Volunteer and Citizen Programs	0	0	171,000	0	—
UASI In-car Video	0	0	1,010,000	0	—
UASI MD 5% Share	347,772	0	1,838,790	0	—
Regional Animal Shelter Preparedness Training	23,783	0	0	0	—
UASI H1N1	28,662	0	0	0	—
Influenza Pandemic Training Pharmacists	10,247	0	0	0	—
Hazardous Material Emergency Prep (HMEP)	0	0	0	168,800	—
UASI Emergency Planning	484,075	0	734,920	0	—
UASI Hosp	280,794	0	1,752,220	0	—
EMPG Grant	288,532	0	310,010	0	—
UASI Grant	62,770	0	125,000	0	—
LEPC Grant - MDE	4,722	0	8,860	0	—
Homeland Security Grants	146,426	0	1,055,810	0	—
Grant Fund MCG Revenues	1,677,783	0	8,676,610	168,800	—
DEPARTMENT TOTALS					
Total Expenditures	2,464,036	1,333,090	9,975,580	1,416,700	6.3%
Total Full-Time Positions	9	10	10	11	10.0%
Total Part-Time Positions	0	0	0	1	—
Total Workyears	8.6	8.9	8.9	10.8	21.3%
Total Revenues	2,462,914	700,000	9,401,610	878,800	25.5%

FY12 RECOMMENDED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY11 ORIGINAL APPROPRIATION	1,333,090	7.9
Changes (with service impacts)		
Reduce: Testing and Evaluation of the Response and Situational Awareness Systems [Emergency Management Planning, Response & Recovery]	-57,070	-0.4
Other Adjustments (with no service impacts)		
Increase Cost: Restore Personnel Costs - Furloughs	14,140	0.3
Increase Cost: Printing and Mail Adjustment	730	0.0
Increase Cost: Help Desk - Desk Side Support	510	0.0
Decrease Cost: Reduce Training and Travel Costs	-2,260	0.0
Decrease Cost: Motor Pool Rate Adjustment	-5,460	0.0
Decrease Cost: Retirement Adjustment	-5,820	0.0
Decrease Cost: Group Insurance Adjustment	-13,900	0.0
Decrease Cost: Reduce Number of Phone Lines	-16,060	0.0
FY12 RECOMMENDED:	1,247,900	7.8
GRANT FUND MCG		
FY11 ORIGINAL APPROPRIATION	0	1.0
Changes (with service impacts)		
Add: Emergency Management Planning Grant [Emergency Management Planning, Response & Recovery]	168,800	2.0
FY12 RECOMMENDED:	168,800	3.0

PROGRAM SUMMARY

Program Name	FY11 Approved		FY12 Recommended	
	Expenditures	WYs	Expenditures	WYs
Emergency Management Planning, Response & Recovery Administration	1,139,160	7.1	1,229,520	9.1
	193,930	1.8	187,180	1.7
Total	1,333,090	8.9	1,416,700	10.8

FUTURE FISCAL IMPACTS

Title	CE REC. (\$000's)					
	FY12	FY13	FY14	FY15	FY16	FY17
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY12 Recommended	1,248	1,248	1,248	1,248	1,248	1,248
No inflation or compensation change is included in outyear projections.						
Motor Pool Rate Adjustment	0	3	3	3	3	3
Subtotal Expenditures	1,248	1,251	1,251	1,251	1,251	1,251