

**Worksession**

**MEMORANDUM**

April 13, 2012

TO: Public Safety Committee

FROM: *KL* Keith Levchenko, Senior Legislative Analyst

SUBJECT: **Worksession: FY13 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 ©1-4. 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 FY11	Approved FY12	Estimated FY12	CE Rec FY13	Change FY13-FY12	
					\$\$\$	%
Personnel Costs	1,194,671	1,162,590	936,403	1,201,179	38,589	3.3%
Operating Expenses	4,423,281	254,110	253,899	253,800	(310)	-0.1%
Capital Outlay	-	-	-	-	-	n/a
<b>Total</b>	<b>5,617,952</b>	<b>1,416,700</b>	<b>1,190,302</b>	<b>1,454,979</b>	<b>38,279</b>	<b>2.7%</b>
Full-Time Positions	10	11	11	11	-	0.0%
Part-Time Positions	-	1	1	1	-	0.0%
Workyears/FTEs	8.90	10.80	10.80	10.60	(0.20)	-1.9%

As shown in the above chart (which includes both the General Fund and Grant Fund), for FY13, the Executive recommends total expenditures of \$1,454,979 for OEMHS, an increase of \$38,279 (or 2.7%) from the FY12 Approved Budget. No change in full- or part-time positions is assumed. The conversion of workyears to full-time equivalents (FTEs) in the County's new budgeting system results in a change from 10.8 workyears to 10.6 FTEs. Note: The large total shown in the Actual FY11 column has to do with Federal grant dollars received during FY11. 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 FY13-FY12	
	FY11	FY12	FY12	FY13	\$\$\$	%
Personnel Costs	945,117	993,790	767,603	1,029,472	35,682	3.6%
Operating Expenses	152,931	254,110	253,899	253,800	(310)	-0.1%
Capital Outlay	-	-	-	-	-	-
<b>Total</b>	<b>1,098,048</b>	<b>1,247,900</b>	<b>1,021,502</b>	<b>1,283,272</b>	<b>35,372</b>	<b>2.8%</b>
Full-Time Positions	9	8	8	8	-	0.0%
Part-Time Positions	-	1	1	1	-	0.0%
Workyears/FTEs	7.90	7.80	7.80	7.60	-0.20	-2.6%
<b>Grant Fund</b>						
Personnel Costs	249,554	168,800	168,800	171,707	2,907	1.7%
Operating Expenses	4,270,350	-	-	-	-	n/a
Capital Outlay	-	-	-	-	-	n/a
<b>Total</b>	<b>4,519,904</b>	<b>168,800</b>	<b>168,800</b>	<b>171,707</b>	<b>2,907</b>	<b>1.7%</b>
Full-Time Positions	1	3	3	3	-	0.0%
Part-Time Positions	-	-	-	-	-	n/a
Workyears/FTEs	1.00	3.00	3.00	3.00	-	0.0%

As shown above, the General Fund would increase in FY13 by 2.8% as a result of miscellaneous and technical adjustments (no change in service levels). The Grant Fund includes \$171,707 and 3 term positions for FY13 (the same as in FY12). A crosswalk from FY12 to FY13 of recommended changes is included on ©4.

As with other County budgets this year, recommended compensation and benefit changes are loaded in this budget. In fact, these changes in sum add up to \$52,532. Without these changes, the OEMHS General Fund budget would be declining by 1.4 percent.

Lapse

OEMHS does not have any lapse assumed in the Approved FY12 Budget nor in the Recommended FY13 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, so lapse savings are not typically assumed from year to year.

## FY12 2<sup>nd</sup> Quarterly Analysis

The OEMHS General Fund Second Quarterly Analysis shows a substantial General Fund surplus for the office of \$226,187 from the original budget for the office (See Table #3 below). These savings resulted primarily from having a full-time and part-time position vacant for much of FY12. The full-time position was filled in March.

**Table #3**  
**2nd Quarterly Analysis Savings Comparison**

	FY12 Original General Fund Budget	FY12 2nd QA	Change \$\$	%
Personnel Costs	993,790	767,603	(226,187)	-22.8%
Operating Expenses	254,110	253,899	(211)	-0.1%
<b>Total</b>	<b>1,247,900</b>	<b>1,021,502</b>	<b>(226,398)</b>	<b>-18.1%</b>

In mid to late May, OEMHS is planning to move from its current leased space, co-located with the Emergency Operations Center, to the new public safety headquarters. This move will involve some costs specific to the move, but is not expected to be a significant expense.

### Organizational Structure and Staffing Levels

No major changes in organizational structure or staffing levels are assumed for FY13. Last year, the Public Safety Committee discussed a couple of basic organizational questions regarding OEMHS:

1. Should the emergency management function remain a centralized, stand-alone function; and
2. What is a reasonable level of staffing for the emergency management function (wherever the function is performed)?

Council Staff reviewed these questions and concluded that there are a number of advantages to having a separate OEMHS office. Further, "Given historic staffing levels for the emergency management function (and the fact that the emergency management function has been broadened and become more complex and more coordinated regionally and nationally over the past decade), Council Staff does not believe the current staffing levels for OEMHS are excessive or that there would be much, if any, cost savings opportunities if the function were to be subsumed under an existing department."<sup>1</sup>

### FY13 Expenditure Issues

There are no major expenditure issues noted in the FY13 Recommended Budget for OEMHS. The General Fund and Grant crosswalk tables are on ©4.

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<sup>1</sup> For more information regarding last year's discussion, please see the Public Safety Committee packet for Agenda Item #3 from April 29, 2011 available for download at:  
[http://www.montgomerycountymd.gov/content/council/pdf/agenda/cm/2011/110429/20110429\\_PS3.pdf](http://www.montgomerycountymd.gov/content/council/pdf/agenda/cm/2011/110429/20110429_PS3.pdf)

The General Fund crosswalk table shows:

- Compensation and benefit adjustments totaling \$52,532 in additional costs in FY13.
- The increases in compensation and benefits are offset by:
  - Adjustments in internal service cost changes in motor pool, printing and mail, and IT help desk support totaling \$310 in savings.
  - Turnover savings of \$16,850 from staff changes in FY12.

There are no changes other than benefit adjustments in the Grant Fund (Emergency Management Performance Grant (EMPG) is continuing in FY13).

When asked what major initiatives (planning, training, outreach, etc.) OEMHS is planning for FY13, OEMHS staff responded:

*OEMHS oversees more than 50 plans and programs. Many of these have requirements or at least recommended updates that must be met. While the bulk of our efforts support ongoing activities, several new initiatives include implementing standards for data reliability; updating the County Mitigation Plan and the County Emergency Operations Plan in the first half of FY13; Adding Voice alert capability to the Alert Montgomery System, coordinate and expand situational awareness with regional, state and utility, and transportation counterparts; Updating the Hazmat reporting software to allow for easier reporting from the over 3,500 filers and easier sharing with responders that may be called to these facilities during an emergency.*

When asked whether any issues are on the horizon that may significantly affect the department, OEMHS staff responded:

*The most significant issue with a possible impact on Montgomery County and Council is a change in the Federal grant programs scheduled for next year. OEMHS has been able to continue to use grant funding to support county priorities from bullet proof vests for police, to emergency generators for the Public Safety Headquarters. Other systems including Webeoc and Alert Montgomery are paid for fully with grant funds and have been for several years. Without grant funding, Council will have to be involved in determining which of these systems / programs should be funded in the future. We expect grant guidance from DHS no later than spring 2013.*

### FY13 Revenues

Revenues from Hazardous Materials Permits are recommended as follows:

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

Actual FY11	Approved FY12	Estimated FY12	CE Rec FY13
1,075,841	710,000	750,000	800,000

Revenue from the hazardous materials permit fee is expected to increase in FY13. Over 3,000 entities are responsible for reporting information and paying the associated fee. OEMHS staff have provided a status update of the program and the rationale for the increased revenue assumption in FY13:

*During the past year OEMHS has been working to reconcile delinquent accounts for Hazmat permits. The increased revenue was assumed because as of our FY12 2<sup>nd</sup> Quarter Analysis our Hazmat permitting revenue was already over 74% of our FY 12 budget. We anticipate that we will have another year of increased revenue before it levels off.*

*Hazmat registration fees apply to all industrial, commercial, educational, recreational, agricultural, research, or institutional occupancy which uses, processes, stores, transfers or manufactures hazardous substances, in quantities which pose a risk to first responders or the surrounding community and requires the owner/operator of that facility to pay an annual registration fee based on the "facility category" which is determined by the amount and types of chemicals being stored at the facility.*

#### **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 FY13 Operating Budget for the Office of Emergency Management and Homeland Security is \$1,454,979, an increase of \$38,279 or 2.7 percent from the FY12 Approved Budget of \$1,416,700. Personnel Costs comprise 82.6 percent of the budget for 11 full-time positions and one part-time position for 10.60 FTEs. Operating Expenses account for the remaining 17.4 percent of the FY13 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 FY12 estimates reflect funding based on the FY12 approved budget. The FY13 and FY14 figures are performance targets based on the FY13 recommended budget and funding for comparable service levels in FY14.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Implemented a new voice alert component to complement text and email messaging through Alert Montgomery.***
- ❖ ***Productivity Improvements***
  - ***Implemented new check processing software and equipment to improve the efficiency of the Hazmat Permitting Program.***
  - ***Deployed a new situational awareness tool that will work in conjunction with WebEOC.***
  - ***Instituted a new training certification program for Emergency Management Group members.***

## 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.

Program Performance Measures	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Available capacity for overnight shelter	4,000	4,000	4,000	4,000	4,000
Number of Alert Montgomery subscribers <sup>1</sup>	70,000	75,000	124,496	130,000	135,000
Percentage of County Facility Plans reviewed within 90 days of submission/contract	90%	90%	90%	90%	90%
Percentage of required exercises and drills completed	100%	100%	100%	100%	100%
Percentage of Severe Storm alerts sent within 20 minutes of information being received by the Office of Emergency Management and Homeland Security	90%	95%	95%	95%	95%
Percentage of the County's 19 municipalities participating in Federal Emergency Management Agency's National Flood Insurance Program	100%	100%	100%	100%	100%

<sup>1</sup> Includes Montgomery County employees

FY13 Recommended Changes	Expenditures	FTEs
<b>FY12 Approved</b>	<b>1,229,520</b>	<b>9.10</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	-116,751	-1.50
<b>FY13 CE Recommended</b>	<b>1,112,769</b>	<b>7.60</b>

## 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.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>187,180</b>	<b>1.70</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	155,030	1.30
<b>FY13 CE Recommended</b>	<b>342,210</b>	<b>3.00</b>

## BUDGET SUMMARY

	<b>Actual FY11</b>	<b>Budget FY12</b>	<b>Estimated FY12</b>	<b>Recommended FY13</b>	<b>% Chg Bud/Rec</b>
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	708,757	771,800	589,732	774,697	0.4%
Employee Benefits	236,360	221,990	177,871	254,775	14.8%
<b>County General Fund Personnel Costs</b>	<b>945,117</b>	<b>993,790</b>	<b>767,603</b>	<b>1,029,472</b>	<b>3.6%</b>
Operating Expenses	152,931	254,110	253,899	253,800	-0.1%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>1,098,048</b>	<b>1,247,900</b>	<b>1,021,502</b>	<b>1,283,272</b>	<b>2.8%</b>
<b>PERSONNEL</b>					
Full-Time	9	8	8	8	—
Part-Time	0	1	1	1	—
FTEs	7.90	7.80	7.80	7.60	-2.6%
<b>REVENUES</b>					
Hazardous Materials Permits	1,075,841	710,000	750,000	800,000	12.7%
<b>County General Fund Revenues</b>	<b>1,075,841</b>	<b>710,000</b>	<b>750,000</b>	<b>800,000</b>	<b>12.7%</b>
<b>GRANT FUND MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	202,928	148,240	148,240	148,236	0.0%
Employee Benefits	46,626	20,560	20,560	23,471	14.2%
<b>Grant Fund MCG Personnel Costs</b>	<b>249,554</b>	<b>168,800</b>	<b>168,800</b>	<b>171,707</b>	<b>1.7%</b>
Operating Expenses	4,270,350	0	0	0	—
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCG Expenditures</b>	<b>4,519,904</b>	<b>168,800</b>	<b>168,800</b>	<b>171,707</b>	<b>1.7%</b>
<b>PERSONNEL</b>					
Full-Time	1	3	3	3	—
Part-Time	0	0	0	0	—
FTEs	1.00	3.00	3.00	3.00	—
<b>REVENUES</b>					
Federal Grants	4,472,507	168,800	168,800	171,707	1.7%
State Grants	47,397	0	0	0	—
<b>Grant Fund MCG Revenues</b>	<b>4,519,904</b>	<b>168,800</b>	<b>168,800</b>	<b>171,707</b>	<b>1.7%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>5,617,952</b>	<b>1,416,700</b>	<b>1,190,302</b>	<b>1,454,979</b>	<b>2.7%</b>
<b>Total Full-Time Positions</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>—</b>
<b>Total Part-Time Positions</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>—</b>
<b>Total FTEs</b>	<b>8.90</b>	<b>10.80</b>	<b>10.80</b>	<b>10.60</b>	<b>-1.9%</b>
<b>Total Revenues</b>	<b>5,595,745</b>	<b>878,800</b>	<b>918,800</b>	<b>971,707</b>	<b>10.6%</b>

## FY13 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>1,247,900</b>	<b>7.80</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Lump Sum Wage Adjustment	21,103	0.00
Increase Cost: Group Insurance Adjustment	16,835	0.00
Increase Cost: Retirement Adjustment	14,594	0.00
Increase Cost: Motor Pool Rate Adjustment	360	0.00
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	-0.20
Decrease Cost: Printing and Mail Adjustment	-160	0.00
Shift: Help Desk - Desk Side Support to the Desktop Computer Modernization NDA	-510	0.00
Decrease Cost: Turnover Savings	-16,850	0.00
<b>FY13 RECOMMENDED:</b>	<b>1,283,272</b>	<b>7.60</b>
<b>GRANT FUND MCG</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>168,800</b>	<b>3.00</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Benefit Adjustment	2,907	0.00
<b>FY13 RECOMMENDED:</b>	<b>171,707</b>	<b>3.00</b>

## PROGRAM SUMMARY

Program Name	FY12 Approved		FY13 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Emergency Management Planning, Response & Recovery	1,229,520	9.10	1,112,769	7.60
Administration	187,180	1.70	342,210	3.00
<b>Total</b>	<b>1,416,700</b>	<b>10.80</b>	<b>1,454,979</b>	<b>10.60</b>

## FUTURE FISCAL IMPACTS

Title	CE REC.					
	FY13	FY14	FY15	(\$000's)		
	FY16	FY17	FY18			
<b>This table is intended to present significant future fiscal impacts of the department's programs.</b>						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY13 Recommended</b>	<b>1,283</b>	<b>1,283</b>	<b>1,283</b>	<b>1,283</b>	<b>1,283</b>	<b>1,283</b>
No inflation or compensation change is included in outyear projections.						
<b>Elimination of One-Time Lump Sum Wage Adjustment</b>	<b>0</b>	<b>-21</b>	<b>-21</b>	<b>-21</b>	<b>-21</b>	<b>-21</b>
This represents the elimination of the one-time lump sum wage increases paid in FY13.						
<b>Subtotal Expenditures</b>	<b>1,283</b>	<b>1,262</b>	<b>1,262</b>	<b>1,262</b>	<b>1,262</b>	<b>1,262</b>