CITY OF STOCKTON, CA

Responsibilities of an alarm company

a. register with PD

b. furnish full name of the business and copy of the state issued license for the business.

c. unlawful

d. any changes must be reported within 30 days

e. Alarm permits

Not a guarantee of police response

Non priority call

for record keeping purposes only



FEES AND FINES

1. Initial permit fee = $44
   businesses annually
   homeowners renewable every 3 years

   Renew fee = $17.50

2. Violation is an infraction of the law and punishable by a fine of $100 for the 1st violation,
   $200 2nd violation,
   $500 for each additional violation within a year

3. Alarm Owners pay $61.50 service fee for failure to respond within 20 minutes

4. $61.50 service fee every false alarm in excess of 3 during any 3 month period.

5. Chronic - no response list

Chief is authorized to implement a no response policy as reasonably necessary to reduce false alarms.

Alarms
ROUTE SLIP

To: Debra Gonzales

✓	Approval	__	Signature
✓	Information	__	Initial
__	Necessary Action	__	See Me
__	Review and Comment	__	File

Return to _____

Other Summary of ordinances of 7 cities w/ emphasis on requirements imposed on alarm companies.

FROM Anabella Flores DATE 5/6/99

CITY OF WOODLAND, CA

Alarm companies cannot install or connect an alarm system without first performing one of the following:

1. obtain a copy of the alarm system permit from user or City

2. permit fee receipt

3. notify the City (under penalty of perjury) that the permit application and fees had been mailed or delivered. Declaration must be signed by authorized agent of the alarm company.

4. obtain from the user an executed declaration under penalty of perjury that user has mailed the application and fee. Declaration shall be witnessed by the signature of authorized agent of the alarm co.

3 and 4 must be submitted to the City within 72 hours of installation or connection of the alarm system.

Alarm companies are in violation of the law if they continue to transmit alarms from suspended or revoked permits.

Required to notify the Communications Center if they are performing a test of the alarm system.

NOTICE OF NON-RENEWAL, SUSPENSION AND REVOCATION OF PERMITS ARE SERVED TO ALARM CO.

PERMIT FEE = $40 for 3 years
or
$15.00 annually

CITY OF SAN JOSE, CA

No registration requirement on alarm companies.

CITY OF RIVERSIDE, CA

Unlawful for an alarm company to do business without registration, full name, license issued by the State, City BTRC, name and business address of Operations Manager in the area.

After every false alarm, alarm company must submit information pertaining to the false alarm and planned correction action.

Police Department may disconnect nuisance alarm systems with the cost to be charged to the user.

Monitoring companies must maintain a current listing of all alarm systems, permit #, name and address and telephone number of the individuals from whom entry may be obtained. Info must be available upon request.

COUNTY OF SACRAMENTO, CA

No alarm company shall continue to monitor an alarm system if the user does not have a permit within 15 days of installation.

Each alarm company shall provide a copy of the ordinance upon the signing of the alarm contract.

Maintain and provide to the Dispatch Center the following:

a. name of permittee
b. address
c. permit #

Failure to comply is a violation.

Violation shall constitute an infraction punishable by

1. fine not more than $100 for the first;

2. fine not more than $200 for the second within a year;

3. fine not more that $500 for each additional violation within any calendar year.

CITY OF OAKLAND, CA

Alarm company shall file a copy of State Identification Card within 30 days.

If the alarm company fails to comply, the user is notified that the alarm company they are dealing with is illegally doing business within the City.

3 false alarms in 6 months - written warning

6 false alarms in 6 months - no response policy based on misuse of the 911 system

To reinstate the response policy, user and alarm company must provide evidence of what they have done to correct the false alarm problem.

CITY OF SACRAMENTO, CA

Alarm company must perform one of the following acts:

1. obtain a copy of the alarm permit from the alarm user or from the PD;

2. obtain a copy of the permit fee receipt from the user of from the PD;

3. Notify Chief by declaration under penalty of perjury that permit app and fees have been personally delivered or mailed to the PD. Declaration shall be signed by an authorized agent of the alarm company;

4. Obtain from the user an executed declaration under penalty of perjury that user has previously personally delivered or mailed to PD. The declaration under penalty of perjury shall be witnessed and signed by an authorized agent of the alarm company. Declaration must be personally delivered or mailed to the PD by the alarm company.

Failure to comply is an infraction punishable by:

1. fine not more than $50 for the 1st violation;

2. fine not more than $100 for the 2nd violation within one year;

3. fine not more than $250 for the third and subsequent violation within one year.

5B

LOS ANGELES POLICE COMMISSION

BOARD OF
POLICE COMMISSIONERS

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PRESIDENT

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EXECUTIVE OFFICE
SUITE 144-150, PARKER CENTER
150 N. LOS ANGELES STREET
LOS ANGELES, CA 90012

(213) 485-3531 PHONE
(213) 485-8861 FAX
commsnrs@pdcomm.ci.la.ca.us

August 17, 1999

CF 3

City Clerk's Office
c/o Councilmember Laura Chick, Chairperson
Public Safety Committee
Room 615, City Hall East
200 N. Main Street
Los Angeles, CA 90012

FALSE ALARMS

At its regular meeting of August 17, 1999, the Board APPROVED, with the exception of the fourth bullet on page 9 "Requiring all alarm users to attend Alarm School..." the above-entitled report.

The Board requested that this matter be transmitted to your office for further processing.

Very truly yours,
BOARD OF POLICE COMMISSIONERS

LUPE ORTIZ
Commission Executive Assistant

c: Alarm Section
File

CITY CLERK
BY

99 AUG 20 AM 7:13

CITY CLERK

PUBLIC SAFETY
AUG 20 1999

AUG 17 1999

INTER-DEPARTMENTAL CORRESPONDENCE

SB

July 15, 1999

BOARD OF
POLICE COMMISSIONERS
Approved 8.17.99
Secretary

TO: Board of Police Commissioners

FROM: Executive Director, Police Commission

SUBJECT: FALSE ALARMS

It is recommended that the attached report be approved and transmitted to the Public Safety Committee of the City Council.

On October 28, 1998, the Public Safety Committee requested the Department to report on the City's False Alarm Program. Specifically, the Committee requested information on: the status of the "Burglar Alarm Unit" (i.e., the Alarm Section); the processes involved in collecting fines; permit fee collection rates and revenues; false alarm rates; and recommendations for amending the City's Alarm Permit Ordinance to further reduce false alarms.

A report was initially prepared by Management Services Division, and then sent to the Alarms Section for further revision. The matter came before the Board earlier this year, but was continued so that the Alarm Section could seek more reliable and more meaningful data. The report has been substantially revised since its earlier submission and additional statistical data has been incorporated into the analysis. However, as the report itself indicates, a major challenge to program is the difficulty in obtaining accurate and useful data, as the information resides in a number of disparate and sometimes conflicting sources.

The recommendations in this report include proposals for increasing the effectiveness of the Alarms Section, for implementing improved automation and data collection systems, and for amending the Alarm Ordinance to require increased accountability for subscribers and alarm companies.

The Commission staff members who will appear on this matter are Lieutenant Ron Marbrey and Senior Management Analyst I Elia Fernandez.

JOSEPH A. GUNN
Executive Director

Attachment

THE CITY OF LOS ANGELES
FALSE ALARM PROGRAM

Historical Overview

False alarms are an ongoing problem in all large municipalities, including Los Angeles. Historically, about 90% - 98% of all alarm dispatches nationwide are later found to be false. This represents a tremendous drain on police resources and diverts personnel from responding to more serious crimes.

Prior to 1973 there was no mechanism in the City for dealing with this issue. In 1973 the first Alarm ordinance was passed; it required alarm subscribers to have a City permit and provided for revocation if a subscriber sustained more than four false alarms in a four-week period. To enforce the newly enacted ordinance, the Commission Investigation Division implemented its False Alarm program which provided for revocation hearings for repeat offenders.

The Alarm Ordinance was substantially strengthened in 1982 when the Municipal Code was amended to allow for the assessment of fees for false alarms. The amendment provided for revocation after eleven false alarms in a twelve month period and mandated an assessment of $49.50 for every fifth and subsequent false alarm in a twelve month period. This fee has been increased over the years and now stands at $80.

That same year CID implemented a dedicated Alarms Section to administer two related programs: A non compliance program to ensure that locations secured permits and a billing program to recover costs. Originally staffed by two loaned detectives, it was increased shortly thereafter to include clerical and administrative staff.

Additionally, the Department implemented a No permit/No dispatch policy in 1983. However, this was rescinded as a result of new State legislation ten years later.

The Alarm Ordinance was amended for the third time in 1995. The billing threshold was decreased from four to two alarms in a rolling twelve-month period, failure to have a permit was reclassified as a misdemeanor, and all alarm calls required verification by the alarm company.

In an attempt to once again address the problem, from the operational side, at the beginning of this year, the Department implemented a new dispatch policy which classifies **unverified** alarm calls as routine rather than high priority calls.

Goals and Objectives

Since its inception, the goal of the Alarms Section has been to increase compliance among alarm subscribers and decrease the number of alarm and false alarm responses. While the program also provides for some cost recovery, the fees do not in any way cover the costs incurred by the Department in responding to these calls.

Between 1995 and 1998, the Section reduced the number of alarm calls by nearly 6%. In the first three months of 1999, alarm calls were down almost 8% from the same period in the previous year, exceeding the three year average. The Section has also seen an increase in permits with no false alarms, even though the total number of permits has continued to rise. From 1995 to 1998, the number of "clean" permits increased nearly 4%. (See Addendum I)

These reductions reflect the impact of ordinance changes, Section initiatives, and increased staffing.

Revenues and Collection Rates

Alarm collections fall into two broad categories: Permit and Renewal Fees ("Permit fees") and False Alarm Fees. The Alarms Section is primarily involved with the latter, although several initiatives impact both false alarm and permit fees.

False Alarm Fees

According to the City Controller, the City collects well over $300,000 a month in false alarm billings. (See Addendum II)

False Alarm collections have a life cycle in that the revenues on any given group of billings will be returned over a number of months. Valid collection rates are those which are measured at the end of the cycle, rather than at a preset point in time. Currently, the City Clerk only provides data as to the amount collected in a given year from billings generated in the same year. The amount collected the following year from those same billings is not captured by this data. This results in inaccurate collection rates as well as dollar figures which appear to be out of synch with the data supplied by the Controller.

Collection rates are impacted by a number of factors such as: timely billing and appeals processes; seriousness of the consequences of non payment; new collection strategies and initiatives; and the general state of the economy.

Benchmarking the City's false alarm collection rate is difficult. With one or two isolated exceptions, other cities do not have comparable programs and, in fact, the City's program is considered to be "cutting edge." Comparing false alarms to other City billings is deceptive, because unlike utility bills, business permits, etc. where failure to pay has dire consequences, there are no real sanctions. LAPD is mandated to respond to all alarm calls regardless of permit status or outstanding fees.

Perhaps the most analogous system is that which is in place for collecting outstanding parking fees, although even here the sanctions (escalating fees, inability to renew vehicle licenses, and possible impounding of the vehicle) are considerably more stringent than those for failure to pay false alarms fees.

Los Angeles has one of the highest parking citation collection rates in the United States. In 1997 for example, a comparison of rates for New York, San Francisco, Chicago, Milwaukee, Philadelphia and Chicago showed rates ranging from a low of 50% to Los Angeles' 77.5%. (Note: These were based on what was ultimately collected, even if it took the full 36 months of collection life cycle.)

Using the life cycle of a parking citation as a model, an attempt was made to estimate true collection rates for false alarms. As mentioned above, the City expects to collect 77.5% of all parking fines. Of this amount, slightly less than three-quarters will be collected in the first 12 months after issuance. Thus, the amount collected during the first 12 months will be about 57% of the amount billed. Keeping in mind the considerably more serious sanctions involved for parking citations, the false alarm fee collection rates which average between 40 % - 50% for the first 12 months are within acceptable limits.

Permit Fees

Although the collection of permit fees is primarily within the purview of the City Clerk's Office, alarm permit issues and false alarms are closely related. Compliance with permit requirements is part of the Alarm Section's mandate, and is one of the focuses of its public education efforts. Additionally, several recent Section initiatives target both unpaid permit fees and false alarm fees. (See below). Valid permits also enhance the Section's ability to pursue outstanding false alarm fees since staff relies heavily on permit data to determine the responsible party and address to which false alarms should be billed.

There has been a slow, but steady increase in the number of new and renewed permits and in resultant permit fee collections. In 1998 the City collected over $3.2 million in permit related fees. (See Addendum III)

Recent Initiatives

Campaign to eliminate 14-month backlog in Affidavits

Affidavits are notifications sent to violators who have not paid and who have not requested a hearing. The affidavits inform the violators that the Police Permit Review Panel will revoke their permits on a given date. The prompt filing of affidavits is important because 50% of those who receive an affidavit subsequently pay the fine.

Campaign to reduce "suspense" accounts

A "suspense" account, i.e., an account for which no bill can be generated, is created when the False Alarm System is unable to match an alarm activation record with the correct permit information. (The system is very literal. If an activation is entered as having occurred at the residence of "John Smith", but the alarm permit is recorded under "Smith, John", the system does not automatically link the two sets of information and a "suspense" account is created.) By researching these accounts they can often be returned to billable status. In 1998 the Section was able to eliminate a backlog of over 4,000 suspended accounts which resulted in added billings totaling $320,000. (Data as to the resultant revenue is unfortunately not available due to the way the City Clerk records financial information.)

Returned mail campaign

Approximately 500 bills a month are returned as undeliverable because of incorrect or missing information in the records. When sufficient staff is available, these can be researched and corrected, and the bills re-sent. In 1998, the Section was able to eliminate backlogs and process all returned mail in the month it was received. Unfortunately, because of the assignment of additional duties to the Section and long term maternity leave for a critical employee, the backlog is once again accumulating. It is estimated that with full staffing, billable addresses could be located for 60 – 80% of the returned mail accounts.

Implementation of the City Attorney Letterhead Program

Staff implemented the "City Attorney Letterhead Program" in February 1998. This program sends "Final Notification for Payment Due" on City Attorney letterhead to delinquent accounts owing $80.00 (the current charge of one false alarm activation). Over 40% of the accounts billed during the City Attorney Letterhead pilot project have been paid. It should be noted that up until the advent of this program, these low dollar amount accounts were virtually ignored because it was not cost effective for the City Attorney's Office to pursue them.

The City Attorney Letterhead Program has been expanded to include non-permittees. At least 200 letters are mailed monthly to collect outstanding false alarm charges and gain the initial permit fee that should have been applied for prior to activation of the alarm system. The program went into high gear in September 1998. On October 30, 1998, permission was granted for the City Attorney letterhead to be used to recover fees of as much as $1,000. Over $29,000 was collected in 1998; in the first six months of 1999 the program resulted in $148,000 in revenue. Outstanding bills greater than $1,000 are referred to the City Attorney for collection. The program has been such a success that the Alarms Section was selected to receive a Productivity Award from the Quality and Productivity Commission of the City of Los Angeles.

On-site visits

The staff initiated a program of in-person visits to those sites which have accumulated an exceptionally large number of false alarms. During these inspections, Alarms Section staff discuss the issues with the subscriber, help identify problems with the alarm system, and request past due payments. A copy of the inspection report is also forwarded to the alarm company. In Fiscal Year 97/98 the staff made 12 visits. In FY 98/99 this increased to 80 for the first 11 months of the year.

Proposals for revised billing procedures

In 1998 the Section worked cooperatively with the City Clerk in planning a billing system which would include outstanding false alarm fees with all alarm permit renewal billings. Unfortunately, the City Clerk has indicated that this change would require extensive reprogramming by the Information Technology Agency, which has had to defer all such requests to focus on Y2K issues.

Internal Management Reforms

In 1998, the Section revised its internal workload indicators and implemented its own internal record keeping system. Admittedly rudimentary, the system relies on hand tallies and antiquated 386 computers. Despite these drawbacks, the system has provided supervisors with at least limited management information.

Misdemeanor Program

The Alarms Section in cooperation with the City Attorney's Office has just implemented a program to enforce Section 103.206 of the LAMC, the code section under which alarm subscribers who operate without a permit may be charged with a misdemeanor. Non permitted subscribers are first sent a notification letter from the Board of Police Commissioners, followed by a letter notifying the subscriber that the matter is being set for a City Attorney Hearing. Hearings are held once a quarter.

The purpose of the program is to provide both an incentive for payment of outstanding fees, and provide an administrative means for violators to comply with the law and avoid possible criminal conviction. The first hearing was held in June 1999 and to date the program has resulted in payments of $17,000 in outstanding false alarm and permit fees.

Enforcement Task Force

The Enforcement Task Force is a pilot program within the Commission Investigation Division designed to address City permit non-compliance problems. Task Force Investigators canvass business locations in a given area to determine whether all required City permits are up to date. Although the program does not specifically target alarm permits, Task Force investigators will periodically assist the Alarm Unit by including problem alarm sites in their itinerary. Additionally, while checking out other types of permits at a location, investigators can query the business establishment about the status of their alarm permit.

City Government False Alarm Review

Throughout the City of Los Angeles, there are approximately 1,000 alarm systems that are being operated by City Departments. Of those, 20 have been identified as chronic offenders; that is, each of these systems is responsible for at least four false alarms during a deployment period. In 1998, the Department of Public Works had four locations that accumulated $22,800 in false alarm fees. The Department of Transportation had two locations that accumulated $10,480 in false alarm fees

Currently, staff works directly with the Information Technology Agency to reduce false alarms on City sites. As a result, false alarms at one of the chronic offender sites have been reduced 50%. The Section is also developing a notification to be sent to all the Area Police Stations to address the problem of false alarms at LAPD venues.

Additional Issues

There are a number of systemic and operational concerns which hinder Section progress. These are discussed below.

Impact of the "Board-up" Program

In February 1999, the Alarms Section was assigned the responsibility for tracking and billing costs associated with the "Board-up" program. When an officer responds to a break-in or any incident at a commercial location where security has been breached, the City has a responsibility to ensure that provisions are made to protect the property. The City is now contracting with private vendors who will respond upon request to secure a commercial building when a responsible party cannot be located or is unable to respond and secure the building within a reasonable time period. The owners will subsequently be billed for this procedure.

Developing the mechanisms for this new responsibility has diverted numerous personnel hours from false alarm compliance, billing and collection efforts. An additional position has been allocated to the Section to handle the program once it is up and running, but it has not yet been filled.

Space

Although the Alarms Section has expanded both in size and responsibility, the physical space has remained relatively constant. As a result, the Section's allocated square footage is well below that required by City standards. According to the official City of Los Angeles standards, clerical and support personnel should each be allocated 64 square feet of usable space, while administrative staff should be allocated 96 square feet. With a staff of eleven, even using the minimum figure, this translates into 704 square feet of usable square feet for the Section, plus "walkway" space.

The Alarms Section is currently allocated a total of 560 square feet of office space, which includes desk, storage, and walkways. Such cramped conditions, coupled with the equipment and automation issues listed below seriously impede efficiency and severely limit the ability to schedule personnel based on workload rather than space considerations.

Equipment

There is only one Pentium/Windows-capable, LAN connected computer for the entire Section. All other work is done on 386 computers with a few additional 486's. This precludes the Section from setting up shared databases and additional automated systems, and does not allow for multi-tasking. Reports prepared on one computer may not be compatible with another computer in the Section. Budget requests for updated equipment have been repeatedly denied.

There are also inadequate telephones and telephone lines to efficiently handle the call load which during peak periods can average nearly 100 calls per day. A request has been made to add two lines as a result of the "Board-up" program.

Automation and Electronic Data Management

The existing False Alarm System (FAS), created a number of years ago, is outdated and no longer serves the Section needs. Much of the processing and tracking must be done manually; this is unnecessarily labor intensive and does not allow the Section to make optimal use of staff and resources. Additionally, the system does not provide adequate management reports. There have been a number of discussions with the Department's Information Technology Division, but it appears that updating the system will require a major programming effort.

The Section has become increasingly involved in joint programs with the City Attorney's Office, which has just initiated its own automated case management system, the Columbia Ultimate Business System (CUBS). An electronic "bridge" to this system would greatly enhance the preparation of cases referred to the City Attorney. A Departmental request to the Information Technology Agency was made in 1998 but is still pending.

Recommendations and Future Initiatives

Upgrade tracking and analysis systems

As noted above, the Section is dependent upon an antiquated tracking system, inconsistent data from outside entities, and obsolete computers. The Section is pursuing budget requests for additional computers, and for the requisite mainframe upgrades.

Increase and diversify staffing

The Section is requesting that the existing Senior Management Analyst I position be upgraded to a Senior Management Analyst II. This position would manage the Alarms Section and have extensive contact with high level managers both inside and outside the City.

Because of the pressing need for systems upgrades, the Commission is requesting that a dedicated Senior Systems Analyst II position be assigned to the Police Commission. This position would be responsible for enhancements to FAS (the False Alarm System) and overseeing the bridge to CUBS (the City Attorney's case management system). This position would also direct the automation of other Commission Investigation Division sections, such as the Records section which, because it must enter thousands of documents by hand each month, is forced to rely on overtime to accomplish its tasks.

Empirical evidence has shown that adding staff and expertise produces positive results. Three additional MA I positions were added to the Alarms Section in October 1998; in the six months following, alarms calls were reduced by nearly 9% compared to the same period during the previous year.

Amend the Alarm Ordinance

In the past alarm ordinance changes have had a noticeable impact on alarms and alarm related revenue. Historical records, indicate that the number of permits and permit revenues nearly doubled in 1982, and alarm responses decreased 7%. In 1995 the ordinance was again strengthened, and revenues increased by 78%.

There are a number of proposed ordinance changes that could have similarly positive outcomes. The goal of these amendments is to further educate the alarm users about false alarms, actively involve the alarm companies in this effort, and increase sanctions so they serve as more effective deterrents to system abuse. Proposed amendments include:

- Requiring that alarm companies notify the Police Department when alarm systems are installed or at least provide the Department with a list of sites being monitored by the company.

- Requiring alarm companies to notify each new subscriber that a City issued permit is required.

- Establishing penalties and imposing interest on delinquent alarm fees.

- Providing for an automatic adjustment of service fees to reflect actual City costs.

- Requiring all alarm users to attend Alarm School prior to operating a monitored alarm system. (NOTE: This revision is still being studied to determine the resources required to track and document participation, and to conduct the increased volume of Alarm School sessions.)

The City Attorney's Office is still reviewing these changes, but based on preliminary discussions, it appears that these amendments will be deemed permissible under State law.

Addendum IV provides a more detailed description of these amendments.

Establish a formal City Government Alarm Program to reduce false alarms incurred by other City agencies and provide for charge-backs to the Department

City departments and other government agencies should also be held responsible for false alarms. As mentioned on page 5, the Section must rely on voluntary compliance to reduce false alarms at City sites since currently they are exempt from paying fees. Although improvements have been made, in general, departments have little incentive to reduce false alarms since they are "free." This could be remedied by implementing charge-backs for the actual cost of responding to these alarms. The distribution of periodic alarm summary reports would allow departments to more accurately estimate budget requirements in this area.

Conclusions

Overall, the Alarms Section has been successful in reducing false alarms and collecting alarm fees although there is some fluctuation from year to year. With the requested resources, updated technology, and revisions to the ordinance, the Section will be even more successful in the future. This will result in cost savings for the Department and the City, more productive use of field officers, and a public safety dividend.

ADDENDA

I Alarm Calls
II Alarm Fees
III Permit Fees
IV Proposed Amendments

ADDENDUM I

ALARM CALLS

	1995	1996	1997	1998
Total alarm calls dispatched	148,018	148,823	149,602	139,353
Total false alarm calls	126,086	139,412	137,412	129,943
% of calls that are false alarms	85.2%	93.7%	91.9%	93.2%
Permits with no false alarms	81,053	72,324	78,139	84,214
Permits with no billable false alarms	9,642	10,993	5,289	5,300[1]
Permits with false alarm billings	17,640	28,232	28,121	27,625
Total permits	108,335	111,549	111,549	117,139

CHANGE FROM PRIOR YEAR

	1995	1996	1997	1998	Since 1995
Total alarm calls dispatched		0.5%	0.5%	-6.9%	-5.9%
Total false alarm calls		10.6%	-1.4%	-5.4%	3.1%
Permits with no false alarms		-10.8%	8.0%	7.8%	3.9%
Permits with no billable false alarms		10.0%	-1.9%	1.5%	-45.0%[2]
Permits with false alarm billings		60.0%[3]	-0.4%	-1.8%	56.6%[4]
Total permits		3.0%	0.0%	5.0%	8.1%

[1] Estimate

[2] Reflects ordinance change which reduced billing threshold from four to two false alarms.

[3] See above

[4] See above

FALSE ALARM FEES COLLECTED
(Total Year)

	1994	1995	1996	1997	1998	1999	AVERAGE
January	n/a	$ 200,773	$ 46,965	$ 374,986	$ 401,303	$ 425,630	$ 289,931
February	n/a	$ 147,585	$ 137,700	$ 407,243	$ 391,753	$ 359,650	$ 288,786
March	n/a	$ 218,924	$ 693,990	$ 339,438	$ 415,665	$ 380,233	$ 409,650
April	n/a	$ 176,721	$ 330,886	$ 315,574	$ 364,446	$ 402,302	$ 317,986
May	n/a	$ 200,896	$ 636,032	$ 397,262	$ 357,434	$ 355,708	$ 389,466
June	n/a	$ 147,837	$ 429,324	$ 391,177	$ 352,696	n/a	$ 330,259
July	$ 233,595	$ 176,438	$ 385,964	$ 338,420	$ 407,829	na	$ 308,449
August	$ 207,133	$ 45,843	$ 417,788	$ 402,199	$ 449,138	n/a	$ 304,420
September	$ 203,286	$ 424,376	$ 377,277	$ 347,757	$ 296,326	n/a	$ 329,804
October	$ 171,141	$ 226,848	$ 322,248	$ 330,403	$ 427,765	n/a	$ 295,681
November	$ 192,398	$ 382,306	$ 263,557	$ 286,588	$ 364,621	n/a	$ 297,894
December	$ 186,315	$ 196,206	$ 497,389	$ 377,941	$ 318,580	n/a	$ 315,286
Total [1]	$ 1,193,868	$ 2,544,753	$ 4,539,120	$ 4,308,988	$ 4,547,556	$ 1,923,523	
Change from prior year [2]		21.6%	78.4%	-5.1%	5.5%	-0.4%	
Monthly average [3]	$ 198,978	$ 212,063	$ 378,260	$ 359,082	$ 378,963	$ 384,705	$ 318,676

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[1] Computations for 1994 based on last 6 months of the year; Computations for 1999 based on the first 5 months of the year

[2] See above

[3] See above

ADDENDUM III

ALARM PERMITS AND RENEWALS

	1995	1996	1997	1998
New Permits	12,451	14,871	15,167	12,827
New Permit Revenue	$ 385,911	$ 460,961	$ 470,130	$ 397,601
Renewals	86,739	88,820	91,417	94,670
Renewal Revenue	$ 2,606,961	$2,669,974	$2,747,796	$2,845,657
Total Permits	99,190	103,691	106,584	107,497
Total Revenue	$ 2,992,872	$3,130,935	$3,217,926	$3,243,258

CHANGE FROM PRIOR YEAR

	1995	1996	1997	1998
New Permits		19.4%	2.0%	-15.4%
New Permit Revenue		19.4%	2.0%	-15.4%
Renewals		2.4%	2.9%	3.6%
Renewal Revenue		2.4%	2.9%	3.6%
Total Permits		4.5%	2.8%	0.9%
Total Revenue		4.6%	2.8%	0.8%

ADDENDUM IV

PROPOSED CHANGES TO THE ALARMS ORDINANCE

Amend the Alarms Ordinance as follows:

1. Section 103.206 (b) (2), **Permit Requirement.**

the person controls the premises and is the subscriber, client, or customer of the system controller. Each permit shall be given a unique number. The Board shall charge the permit application fee as provided in Section 103.12 of this Code. No permit shall be issued or renewed for any person until all alarm system permit fees, service charges, *penalties and interest, if applicable*, due and owing are paid. The granting of renewal or a permit pursuant to this section shall satisfy the written consent requirement set forth in Section 63.119.5 of this Code.

2. Section 103.206 (d) (1), **Service Charges.**

A service charge shall be billed to and paid by permittees for each response made by the Department in excess of two responses during a twelve month period which did not require police service other than deactivation of the alarm system. A service charge shall be billed to and paid by non-permittees for each response made by the Department in excess of one response which did not require police service other than deactivation of the alarm. The amount of the charges shall be determined by the Board, ~~subject to approval by the City Council by order or resolution~~, and shall be *adjusted* based upon then-existing City costs, including salary and vehicle costs. The Board may waive the service charge provided it has adopted and follows waiver of fee guidelines.

3. Add *Section 103.206 (d) (1), **Additional Duties of Permittees.***

All alarm users shall attend alarm school prior to operating a monitored alarm system.

(NOTE: This revision is still being studied to determine the resources required to track and document participation, and to conduct the increased volume of Alarm School sessions.)

4. Section 103.206.1(b), **Permit Requirement.**

(1) No person shall engage in the business of alarm company operator without having first obtained a Business Tax Registration Certificate from the Los Angeles City Clerk.

(2) No alarm company operator shall install or cause to install an alarm system without notifying each new alarm subscriber of the permit requirement.

(3) Alarm company operators conducting business in the City of Los Angeles shall provide the Police Commission with a list of all new alarm subscribers on the 15th day of each month for the previous month. The list shall include:

(a) Name
(b) Address
(d) Telephone number(s)
(e) Driver's License number
(f) *Police Alarm Permit number*

(4) Alarm company operators shall request police assistance by using a valid permit, if available. If not available, the subscriber's full name and address shall be used to request police assistance.

5. Add *Section 103.206 (h),* **Penalty**
Any person who fails to pay the service charge required to be paid within the time required shall pay a penalty of 20% of the amount of the service fee in addition to the amount of the service fee.

6. Add *Section 103.206(i),* **Interest**
In addition to the penalties imposed, any person who fails to pay any service fee required to be paid shall pay interest at the rate of one and one quarter (1.25) percent per month , or a fraction thereof, on the amount of the service fee, exclusive of penalties, from the date on which the service fee first became delinquent until paid.

3

REPORT FROM

CITY ADMINISTRATIVE OFFICER

TO	DATE	CAO FILE No.
The Public Safety Committee	7-16-99	0220-03230-0003
REFERENCE		COUNCIL FILE No.
Request from the Public Safety Committee dated May 25, 1999		
SUBJECT		COUNCIL DISTRICT
Police Department Alarm Unit		

SUMMARY

The Public Safety Committee requested a report addressing the following issues:

- When the Police Department was given additional staff for the false alarm unit;
- The intended work of the additional employees and their eventual actual function; and,
- The annual billings and revenue collected since the unit was formed.

The Alarm Unit was created in fiscal year 1982-83 with six positions to enforce the recently enacted false burglar alarm ordinance (C.F. 82-1252). In August 1997, the Mayor and City Council added three Management Analyst II positions and one Senior Clerk Typist position for the Alarm Unit (C.F. 97-0600-S23). As noted in the Personnel Committee communication approved by Council, the Police Department estimated those positions would generate additional revenue of up to $3.3 million as described below. These revenue estimates were based on the 1996 amendment to the False Alarm Ordinance that reduced the number of penalty-free false alarms from four to two, increased fees and made not having a permit a misdemeanor:

- 5,000 unbilled false alarm occurrences — $ 600,000 - $800,000
- Overdue false alarm billings — $ 1,300,000
- Non-permitted false alarm systems — $ 1,200,000

(Summary continued)

Acting CITY ADMINISTRATIVE OFFICER

Recyclable and made from recycled waste

The actual work has not been as revenue-sensitive as anticipated. The Management Analyst positions, which were not filled until August 1998, eliminated backlogs in affidavits (due process billing notifications) and suspense accounts (9-1-1 follow-up file for invalid permit numbers). Attached is an excerpt from the "Cost Recovery - False Alarms Short Term Strategic Plan" fact sheet prepared on November 4, 1998 by the Commission Investigation Division, which describes the current collection activities in more detail.

Also attached is a chart showing the revenue history as reported to the Controller from the time a separate revenue code was established for "excessive false alarm fees". The revenue increased by almost $2.2 million between fiscal year 1994-95 (before the 1996 False Alarm Ordinance amendment was enacted) and fiscal year 1996-97. Revenue has not increased substantially since then. As directed by the Council, the Police Commission will be submitting a report on enhancing false alarm revenue.

RECOMMENDATION

That this report be noted and filed.

FISCAL IMPACT STATEMENT

This report is provided for informational purposes and has no impact on the General Fund.

JAY:jhl

Attachments

34037a10

CURRENT COLLECTION ACTIVITIES

Beginning in January, 1998, it became apparent that a correction was needed in the collection procedures. The Alarms Section staff implemented several changes in the collection process since early 1998. The following adjustments were made:

1. Three staff members were hired in August 1998. They have helped eliminate backlogs in many areas.

2. The 14-month backlog in Affidavits has been eliminated. Over 50% of these accounts that were sent an Affidavit paid and the remainder were sent to the City Attorney for collection.

3. The backlog of over 4,000 suspense accounts was eliminated and staff now works all new suspense accounts weekly, so that the billing of these charges can be done promptly. The amount billed: $320,000.

4. Staff implemented the "City Attorney Letterhead Program" in February, 1998. This program sends "Final Notification for Payment Due" on City Attorney letterhead to delinquent accounts owing $80.00 (the current charge of one false alarm activation). Prior to this time, these accounts were written off. Over 40% of the accounts billed during the City Attorney Letterhead pilot project have been paid and over $13,000 has been collected! The City Attorney Letterhead Program has been expanded to include non-permittees. At least 200 letters are sent out monthly in order to gain the initial permit fee that should have been applied for before the system was activated. Permission was granted on October 30, 1998, for the Office of the City Attorney letterhead to be used to recover fees of as much as $1,000.

5. The Alarms Section currently prepares installment agreements and settlement agreements to allow alarm users to pay their bills in full on a schedule they can afford. The Office of the City Attorney approves all agreements.

6. The Alarms Section now processes the returned mail in the month in which it is received. Over 500 bills are returned each month because of errors in the address. Staff researches each piece of mail to determine if charges were valid and they send it to the corrected address. When errors are found in the billing, they are corrected immediately and re-billed.

7. Staff made 16 site visits in FY 97-98. Fifteen (15) site visits have been made this fiscal year and the goal of 40 visits will be exceeded. Staff identifies sites with numerous false alarms. They inspect those sites and make recommendations to correct problems found with their systems. They also request payment in person. A copy of the staff investigation report is provided to the alarm company in order to gain their assistance with the resolution of the problem.

Attachment

Excessive False Alarm Fees Revenue History

Fiscal Year	Revenue ($)	Dollar Change from Prior Year	Percent Change from Prior Year	Notes
1986-87	0	N/A	N/A	
1987-88	653,509	653,509	N/A	
1988-89	2,392,991	1,739,482	266.18%	
1989-90	1,930,962	(462,029)	(19.31)%	
1990-91	4,912,215	2,981,253	154.39%	
1991-92	2,641,225	(2,270,990)	(46.23)%	
1992-93	2,756,741	115,516	4.37%	
1993-94	2,484,971	(271,770)	(9.86)%	
1994-95	2,286,604	(198,367)	(7.98)%	
1995-96	3,295,985	1,009,381	44.14%	Ordinance amended
1996-97	4,489,902	1,193,917	36.22%	
1997-98	4,366,605	(123,298)	(2.75)%	Additional positions authorized
1998-99	4,514,391	147,786	3.38%	Three of the new positions filled

J. MICHAEL CAREY
City Clerk

When making inquiries relative to this matter refer to File No.

CITY OF LOS ANGELES
CALIFORNIA

Office of the
CITY CLERK
Council and Public Services
Room 615, City Hall
Los Angeles, CA 90012
Council File Information - (213) 485-5703
General Information - (213) 485-5705

Debra Gonzales

RICHARD J. RIORDAN
MAYOR

Council File No. 99-1596
(file transmitted)

November 8, 1999

Honorable James K. Hahn, City Attorney
Room 1800, City Hall East
Attn: Debra Gonzales

REQUEST FOR REPORT AND ORDINANCE: AMENDING THE CITY'S ALARM ORDINANCE

At its special meeting held September 27, 1999, the Public Safety Committee considered a July 16, 1999 City Administrative Officer (CAO) report and an August 17, 1999 communication from the Board of Police Commissioners relative to the Police Department's Alarm Unit. At this time, the Committee requested that you prepare a report and any necessary ordinances relative to amending the City's Alarm Ordinance, as proposed by the Board in pages 8 and 9 of the Commission's Executive Director's report. Specifically, the Committee requested that you review the first four bullet items, determining whether amendments to the Los Angeles Municipal Code are appropriate, and if so, prepare the effectuating ordinances.

This matter will be scheduled for consideration by the Public Safety Committee and its next available meeting. Please direct your written report, at electronic copy, at your earliest possible convenience, to the Public Safety Committee, in care of the City Clerk's Office, Room 615, City Hall East.

Sincerely,

John A. White, Legislative Assistant
Public Safety Committee, (213) 485-5707
e-mail: jwhite@clerk.ci.la.ca.us

attachments

cc: Councilmember Cindy Miscikowski; attn: Glenn Barr
Ronald F. Deaton, Chief Legislative Analyst; attn: Judy Steele
William T. Fujioka, CAO; attn: Jerry Greenwalt

alarmpol.ca

REPORT FROM

CITY ADMINISTRATIVE OFFICER

TO	DATE	CAO FILE No.
The Public Safety Committee	7-16-99	0220-03230-0003
REFERENCE		COUNCIL FILE No.
Request from the Public Safety Committee dated May 25, 1999		97-0600-S23
SUBJECT		COUNCIL DISTRICT
Police Department Alarm Unit		

BY CITY CLERK
RECEIVED CITY CLERK'S OFFICE JUL 19 AM 9:38

SUMMARY

The Public Safety Committee requested a report addressing the following issues:

- When the Police Department was given additional staff for the false alarm unit;
- The intended work of the additional employees and their eventual actual function; and,
- The annual billings and revenue collected since the unit was formed.

The Alarm Unit was created in fiscal year 1982-83 with six positions to enforce the recently enacted false burglar alarm ordinance (C.F. 82-1252). In August 1997, the Mayor and City Council added three Management Analyst II positions and one Senior Clerk Typist position for the Alarm Unit (C.F. 97-0600-S23). As noted in the Personnel Committee communication approved by Council, the Police Department estimated those positions would generate additional revenue of up to $3.3 million as described below. These revenue estimates were based on the 1996 amendment to the False Alarm Ordinance that reduced the number of penalty-free false alarms from four to two, increased fees and made not having a permit a misdemeanor:

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• Non-permitted false alarm systems	$ 1,200,000

(Summary continued)

Acting CITY ADMINISTRATIVE OFFICER

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The actual work has not been as revenue-sensitive as anticipated. The Management Analyst positions, which were not filled until August 1998, eliminated backlogs in affidavits (due process billing notifications) and suspense accounts (9-1-1 follow-up file for invalid permit numbers). Attached is an excerpt from the "Cost Recovery - False Alarms Short Term Strategic Plan" fact sheet prepared on November 4, 1998 by the Commission Investigation Division, which describes the current collection activities in more detail.

Also attached is a chart showing the revenue history as reported to the Controller from the time a separate revenue code was established for "excessive false alarm fees". The revenue increased by almost $2.2 million between fiscal year 1994-95 (before the 1996 False Alarm Ordinance amendment was enacted) and fiscal year 1996-97. Revenue has not increased substantially since then. As directed by the Council, the Police Commission will be submitting a report on enhancing false alarm revenue.

RECOMMENDATION

That this report be noted and filed.

FISCAL IMPACT STATEMENT

This report is provided for informational purposes and has no impact on the General Fund.

JAY:jhl

Attachments

34037a10

Recyclable and made from recycled waste.

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J. MICHAEL CAREY
City Clerk

When making inquiries relative to this matter refer to File No.

CITY OF LOS ANGELES
CALIFORNIA

RICHARD J. RIORDAN
MAYOR

Office of the
CITY CLERK
Council and Public Services
Room 615, City Hall
Los Angeles, CA 90012
Council File Information - (213) 485-5703
General Information - (213) 485-5705

99-1596

August 23, 1999

PUBLIC SAFETY COMMITTEE

In accordance with Council Rules, communication from the Board of Police Commissioners relative to false alarms, was referred on August 23, 1999, to the PUBLIC SAFETY COMMITTEE.

City Clerk
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LOS ANGELES POLICE COMMISSION

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LUPE ORTIZ
COMMISSION EXECUTIVE ASSISTANT

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JOSEPH A. GUNN
EXECUTIVE DIRECTOR

JEFFREY C. EGLASH
INSPECTOR GENERAL

EXECUTIVE OFFICE
SUITE 144-150, PARKER CENTER
150 N. LOS ANGELES STREET
LOS ANGELES, CA 90012

(213) 485-3531 PHONE
(213) 485-8861 FAX
commsnrs@pdcomm.ci.la.ca.us

August 17, 1999

City Clerk's Office
c/o Councilmember Laura Chick, Chairperson
Public Safety Committee
Room 615, City Hall East
200 N. Main Street
Los Angeles, CA 90012

FALSE ALARMS

At its regular meeting of August 17, 1999, the Board APPROVED, with the exception of the fourth bullet on page 9 "Requiring all alarm users to attend Alarm School..." the above-entitled report.

The Board requested that this matter be transmitted to your office for further processing.

Very truly yours,
BOARD OF POLICE COMMISSIONERS

LUPE ORTIZ
Commission Executive Assistant

c: Alarm Section
File

RECEIVED
CITY CLERK'S OFFICE
99 AUG 20 AM 7:43
CITY CLERK
BY

PUBLIC SAFETY
AUG 20 1999

AUG 17 1999

INTERDEPARTMENTAL CORRESPONDENCE

SB

July 15, 1999

BOARD OF
POLICE COMMISSIONERS
Approved 8.17.99
Secretary

TO: Board of Police Commissioners

FROM: Executive Director, Police Commission

SUBJECT: FALSE ALARMS

It is recommended that the attached report be approved and transmitted to the Public Safety Committee of the City Council.

On October 28, 1998, the Public Safety Committee requested the Department to report on the City's False Alarm Program. Specifically, the Committee requested information on: the status of the "Burglar Alarm Unit" (i.e., the Alarm Section); the processes involved in collecting fines; permit fee collection rates and revenues; false alarm rates; and recommendations for amending the City's Alarm Permit Ordinance to further reduce false alarms.

A report was initially prepared by Management Services Division, and then sent to the Alarms Section for further revision. The matter came before the Board earlier this year, but was continued so that the Alarm Section could seek more reliable and more meaningful data. The report has been substantially revised since its earlier submission and additional statistical data has been incorporated into the analysis. However, as the report itself indicates, a major challenge to program is the difficulty in obtaining accurate and useful data, as the information resides in a number of disparate and sometimes conflicting sources.

The recommendations in this report include proposals for increasing the effectiveness of the Alarms Section, for implementing improved automation and data collection systems, and for amending the Alarm Ordinance to require increased accountability for subscribers and alarm companies.

The Commission staff members who will appear on this matter are Lieutenant Ron Marbrey and Senior Management Analyst I Elia Fernandez.

JOSEPH A. GUNN
Executive Director

Attachment

THE CITY OF LOS ANGELES
FALSE ALARM PROGRAM

Historical Overview

False alarms are an ongoing problem in all large municipalities, including Los Angeles. Historically, about 90% - 98% of all alarm dispatches nationwide are later found to be false. This represents a tremendous drain on police resources and diverts personnel from responding to more serious crimes.

Prior to 1973 there was no mechanism in the City for dealing with this issue. In 1973 the first Alarm ordinance was passed; it required alarm subscribers to have a City permit and provided for revocation if a subscriber sustained more than four false alarms in a four-week period. To enforce the newly enacted ordinance, the Commission Investigation Division implemented its False Alarm program which provided for revocation hearings for repeat offenders.

The Alarm Ordinance was substantially strengthened in 1982 when the Municipal Code was amended to allow for the assessment of fees for false alarms. The amendment provided for revocation after eleven false alarms in a twelve month period and mandated an assessment of $49.50 for every fifth and subsequent false alarm in a twelve month period. This fee has been increased over the years and now stands at $80.

That same year CID implemented a dedicated Alarms Section to administer two related programs: A non compliance program to ensure that locations secured permits and a billing program to recover costs. Originally staffed by two loaned detectives, it was increased shortly thereafter to include clerical and administrative staff.

Additionally, the Department implemented a No permit/No dispatch policy in 1983. However, this was rescinded as a result of new State legislation ten years later.

The Alarm Ordinance was amended for the third time in 1995. The billing threshold was decreased from four to two alarms in a rolling twelve-month period, failure to have a permit was reclassified as a misdemeanor, and all alarm calls required verification by the alarm company.

In an attempt to once again address the problem, from the operational side, at the beginning of this year, the Department implemented a new dispatch policy which classifies **unverified** alarm calls as routine rather than high priority calls.

Goals and Objectives

Since its inception, the goal of the Alarms Section has been to increase compliance among alarm subscribers and decrease the number of alarm and false alarm responses. While the program also provides for some cost recovery, the fees do not in any way cover the costs incurred by the Department in responding to these calls.

Between 1995 and 1998, the Section reduced the number of alarm calls by nearly 6%. In the first three months of 1999, alarm calls were down almost 8% from the same period in the previous year, exceeding the three year average. The Section has also seen an increase in permits with no false alarms, even though the total number of permits has continued to rise. From 1995 to 1998, the number of "clean" permits increased nearly 4%. (See Addendum I)

These reductions reflect the impact of ordinance changes, Section initiatives, and increased staffing.

Revenues and Collection Rates

Alarm collections fall into two broad categories: Permit and Renewal Fees ("Permit fees") and False Alarm Fees. The Alarms Section is primarily involved with the latter, although several initiatives impact both false alarm and permit fees.

False Alarm Fees

According to the City Controller, the City collects well over $300,000 a month in false alarm billings. (See Addendum II)

False Alarm collections have a life cycle in that the revenues on any given group of billings will be returned over a number of months. Valid collection rates are those which are measured at the end of the cycle, rather than at a preset point in time. Currently, the City Clerk only provides data as to the amount collected in a given year from billings generated in the same year. The amount collected the following year from those same billings is not captured by this data. This results in inaccurate collection rates as well as dollar figures which appear to be out of synch with the data supplied by the Controller.

Collection rates are impacted by a number of factors such as: timely billing and appeals processes; seriousness of the consequences of non payment; new collection strategies and initiatives; and the general state of the economy.

Benchmarking the City's false alarm collection rate is difficult. With one or two isolated exceptions, other cities do not have comparable programs and, in fact, the City's program is considered to be "cutting edge." Comparing false alarms to other City billings is deceptive, because unlike utility bills, business permits, etc. where failure to pay has dire consequences, there are no real sanctions. LAPD is mandated to respond to all alarm calls regardless of permit status or outstanding fees.

Perhaps the most analogous system is that which is in place for collecting outstanding parking fees, although even here the sanctions (escalating fees, inability to renew vehicle licenses, and possible impounding of the vehicle) are considerably more stringent than those for failure to pay false alarms fees.

Los Angeles has one of the highest parking citation collection rates in the United States. In 1997 for example, a comparison of rates for New York, San Francisco, Chicago, Milwaukee, Philadelphia and Chicago showed rates ranging from a low of 50% to Los Angeles' 77.5%. (Note: These were based on what was ultimately collected, even if it took the full 36 months of collection life cycle.)

Using the life cycle of a parking citation as a model, an attempt was made to estimate true collection rates for false alarms. As mentioned above, the City expects to collect 77.5% of all parking fines. Of this amount, slightly less than three-quarters will be collected in the first 12 months after issuance. Thus, the amount collected during the first 12 months will be about 57% of the amount billed. Keeping in mind the considerably more serious sanctions involved for parking citations, the false alarm fee collection rates which average between 40 % - 50% for the first 12 months are within acceptable limits.

Permit Fees

Although the collection of permit fees is primarily within the purview of the City Clerk's Office, alarm permit issues and false alarms are closely related. Compliance with permit requirements is part of the Alarm Section's mandate, and is one of the focuses of its public education efforts. Additionally, several recent Section initiatives target both unpaid permit fees and false alarm fees. (See below). Valid permits also enhance the Section's ability to pursue outstanding false alarm fees since staff relies heavily on permit data to determine the responsible party and address to which false alarms should be billed.

There has been a slow, but steady increase in the number of new and renewed permits and in resultant permit fee collections. In 1998 the City collected over $3.2 million in permit related fees. (See Addendum III)

Recent Initiatives

Campaign to eliminate 14-month backlog in Affidavits

Affidavits are notifications sent to violators who have not paid and who have not requested a hearing. The affidavits inform the violators that the Police Permit Review Panel will revoke their permits on a given date. The prompt filing of affidavits is important because 50% of those who receive an affidavit subsequently pay the fine.

Campaign to reduce "suspense" accounts

A "suspense" account, i.e., an account for which no bill can be generated, is created when the False Alarm System is unable to match an alarm activation record with the correct permit information. (The system is very literal. If an activation is entered as having occurred at the residence of "John Smith", but the alarm permit is recorded under "Smith, John", the system does not automatically link the two sets of information and a "suspense" account is created.) By researching these accounts they can often be returned to billable status. In 1998 the Section was able to eliminate a backlog of over 4,000 suspended accounts which resulted in added billings totaling $320,000. (Data as to the resultant revenue is unfortunately not available due to the way the City Clerk records financial information.)

Returned mail campaign

Approximately 500 bills a month are returned as undeliverable because of incorrect or missing information in the records. When sufficient staff is available, these can be researched and corrected, and the bills re-sent. In 1998, the Section was able to eliminate backlogs and process all returned mail in the month it was received. Unfortunately, because of the assignment of additional duties to the Section and long term maternity leave for a critical employee, the backlog is once again accumulating. It is estimated that with full staffing, billable addresses could be located for 60 – 80% of the returned mail accounts.

Implementation of the City Attorney Letterhead Program

Staff implemented the "City Attorney Letterhead Program" in February 1998. This program sends "Final Notification for Payment Due" on City Attorney letterhead to delinquent accounts owing $80.00 (the current charge of one false alarm activation). Over 40% of the accounts billed during the City Attorney Letterhead pilot project have been paid. It should be noted that up until the advent of this program, these low dollar amount accounts were virtually ignored because it was not cost effective for the City Attorney's Office to pursue them.

The City Attorney Letterhead Program has been expanded to include non-permittees. At least 200 letters are mailed monthly to collect outstanding false alarm charges and gain the initial permit fee that should have been applied for prior to activation of the alarm system. The program went into high gear in September 1998. On October 30, 1998, permission was granted for the City Attorney letterhead to be used to recover fees of as much as $1,000. Over $29,000 was collected in 1998; in the first six months of 1999 the program resulted in $148,000 in revenue. Outstanding bills greater than $1,000 are referred to the City Attorney for collection. The program has been such a success that the Alarms Section was selected to receive a Productivity Award from the Quality and Productivity Commission of the City of Los Angeles.

On-site visits

The staff initiated a program of in-person visits to those sites which have accumulated an exceptionally large number of false alarms. During these inspections, Alarms Section staff discuss the issues with the subscriber, help identify problems with the alarm system, and request past due payments. A copy of the inspection report is also forwarded to the alarm company. In Fiscal Year 97/98 the staff made 12 visits. In FY 98/99 this increased to 80 for the first 11 months of the year.

Proposals for revised billing procedures

In 1998 the Section worked cooperatively with the City Clerk in planning a billing system which would include outstanding false alarm fees with all alarm permit renewal billings. Unfortunately, the City Clerk has indicated that this change would require extensive reprogramming by the Information Technology Agency, which has had to defer all such requests to focus on Y2K issues.

Internal Management Reforms

In 1998, the Section revised its internal workload indicators and implemented its own internal record keeping system. Admittedly rudimentary, the system relies on hand tallies and antiquated 386 computers. Despite these drawbacks, the system has provided supervisors with at least limited management information.

Misdemeanor Program

The Alarms Section in cooperation with the City Attorney's Office has just implemented a program to enforce Section 103.206 of the LAMC, the code section under which alarm subscribers who operate without a permit may be charged with a misdemeanor. Non permitted subscribers are first sent a notification letter from the Board of Police Commissioners, followed by a letter notifying the subscriber that the matter is being set for a City Attorney Hearing. Hearings are held once a quarter.

The purpose of the program is to provide both an incentive for payment of outstanding fees, and provide an administrative means for violators to comply with the law and avoid possible criminal conviction. The first hearing was held in June 1999 and to date the program has resulted in payments of $17,000 in outstanding false alarm and permit fees.

Enforcement Task Force

The Enforcement Task Force is a pilot program within the Commission Investigation Division designed to address City permit non-compliance problems. Task Force Investigators canvass business locations in a given area to determine whether all required City permits are up to date. Although the program does not specifically target alarm permits, Task Force investigators will periodically assist the Alarm Unit by including problem alarm sites in their itinerary. Additionally, while checking out other types of permits at a location, investigators can query the business establishment about the status of their alarm permit.

City Government False Alarm Review

Throughout the City of Los Angeles, there are approximately 1,000 alarm systems that are being operated by City Departments. Of those, 20 have been identified as chronic offenders; that is, each of these systems is responsible for at least four false alarms during a deployment period. In 1998, the Department of Public Works had four locations that accumulated $22,800 in false alarm fees. The Department of Transportation had two locations that accumulated $10,480 in false alarm fees

Currently, staff works directly with the Information Technology Agency to reduce false alarms on City sites. As a result, false alarms at one of the chronic offender sites have been reduced 50%. The Section is also developing a notification to be sent to all the Area Police Stations to address the problem of false alarms at LAPD venues.

Additional Issues

There are a number of systemic and operational concerns which hinder Section progress. These are discussed below.

Impact of the "Board-up" Program

In February 1999, the Alarms Section was assigned the responsibility for tracking and billing costs associated with the "Board-up" program. When an officer responds to a break-in or any incident at a commercial location where security has been breached, the City has a responsibility to ensure that provisions are made to protect the property. The City is now contracting with private vendors who will respond upon request to secure a commercial building when a responsible party cannot be located or is unable to respond and secure the building within a reasonable time period. The owners will subsequently be billed for this procedure.

Developing the mechanisms for this new responsibility has diverted numerous personnel hours from false alarm compliance, billing and collection efforts. An additional position has been allocated to the Section to handle the program once it is up and running, but it has not yet been filled.

Space

Although the Alarms Section has expanded both in size and responsibility, the physical space has remained relatively constant. As a result, the Section's allocated square footage is well below that required by City standards. According to the official City of Los Angeles standards, clerical and support personnel should each be allocated 64 square feet of usable space, while administrative staff should be allocated 96 square feet. With a staff of eleven, even using the minimum figure, this translates into 704 square feet of usable square feet for the Section, plus "walkway" space.

The Alarms Section is currently allocated a total of 560 square feet of office space, which includes desk, storage, and walkways. Such cramped conditions, coupled with the equipment and automation issues listed below seriously impede efficiency and severely limit the ability to schedule personnel based on workload rather than space considerations.

Equipment

There is only one Pentium/Windows-capable, LAN connected computer for the entire Section. All other work is done on 386 computers with a few additional 486's. This precludes the Section from setting up shared databases and additional automated systems, and does not allow for multi-tasking. Reports prepared on one computer may not be compatible with another computer in the Section. Budget requests for updated equipment have been repeatedly denied.

There are also inadequate telephones and telephone lines to efficiently handle the call load which during peak periods can average nearly 100 calls per day. A request has been made to add two lines as a result of the "Board-up" program.

Automation and Electronic Data Management

The existing False Alarm System (FAS), created a number of years ago, is outdated and no longer serves the Section needs. Much of the processing and tracking must be done manually; this is unnecessarily labor intensive and does not allow the Section to make optimal use of staff and resources. Additionally, the system does not provide adequate management reports. There have been a number of discussions with the Department's Information Technology Division, but it appears that updating the system will require a major programming effort.

The Section has become increasingly involved in joint programs with the City Attorney's Office, which has just initiated its own automated case management system, the Columbia Ultimate Business System (CUBS). An electronic "bridge" to this system would greatly enhance the preparation of cases referred to the City Attorney. A Departmental request to the Information Technology Agency was made in 1998 but is still pending.

Recommendations and Future Initiatives

Upgrade tracking and analysis systems

As noted above, the Section is dependent upon an antiquated tracking system, inconsistent data from outside entities, and obsolete computers. The Section is pursuing budget requests for additional computers, and for the requisite mainframe upgrades.

Increase and diversify staffing

The Section is requesting that the existing Senior Management Analyst I position be upgraded to a Senior Management Analyst II. This position would manage the Alarms Section and have extensive contact with high level managers both inside and outside the City.

Because of the pressing need for systems upgrades, the Commission is requesting that a dedicated Senior Systems Analyst II position be assigned to the Police Commission. This position would be responsible for enhancements to FAS (the False Alarm System) and overseeing the bridge to CUBS (the City Attorney's case management system). This position would also direct the automation of other Commission Investigation Division sections, such as the Records section which, because it must enter thousands of documents by hand each month, is forced to rely on overtime to accomplish its tasks.

Empirical evidence has shown that adding staff and expertise produces positive results. Three additional MA I positions were added to the Alarms Section in October 1998; in the six months following, alarms calls were reduced by nearly 9% compared to the same period during the previous year.

Amend the Alarm Ordinance

In the past alarm ordinance changes have had a noticeable impact on alarms and alarm related revenue. Historical records, indicate that the number of permits and permit revenues nearly doubled in 1982, and alarm responses decreased 7%. In 1995 the ordinance was again strengthened, and revenues increased by 78%.

There are a number of proposed ordinance changes that could have similarly positive outcomes. The goal of these amendments is to further educate the alarm users about false alarms, actively involve the alarm companies in this effort, and increase sanctions so they serve as more effective deterrents to system abuse. Proposed amendments include:

- Requiring that alarm companies notify the Police Department when alarm systems are installed or at least provide the Department with a list of sites being monitored by the company.

- Requiring alarm companies to notify each new subscriber that a City issued permit is required.

- Establishing penalties and imposing interest on delinquent alarm fees.

- Providing for an automatic adjustment of service fees to reflect actual City costs.

- Requiring all alarm users to attend Alarm School prior to operating a monitored alarm system. (NOTE: This revision is still being studied to determine the resources required to track and document participation, and to conduct the increased volume of Alarm School sessions.)

The City Attorney's Office is still reviewing these changes, but based on preliminary discussions, it appears that these amendments will be deemed permissible under State law.

Addendum IV provides a more detailed description of these amendments.

Establish a formal City Government Alarm Program to reduce false alarms incurred by other City agencies and provide for charge-backs to the Department

City departments and other government agencies should also be held responsible for false alarms. As mentioned on page 5, the Section must rely on voluntary compliance to reduce false alarms at City sites since currently they are exempt from paying fees. Although improvements have been made, in general, departments have little incentive to reduce false alarms since they are "free." This could be remedied by implementing charge-backs for the actual cost of responding to these alarms. The distribution of periodic alarm summary reports would allow departments to more accurately estimate budget requirements in this area.

Conclusions

Overall, the Alarms Section has been successful in reducing false alarms and collecting alarm fees although there is some fluctuation from year to year. With the requested resources, updated technology, and revisions to the ordinance, the Section will be even more successful in the future. This will result in cost savings for the Department and the City, more productive use of field officers, and a public safety dividend.

ADDENDA

I Alarm Calls
II Alarm Fees
III Permit Fees
IV Proposed Amendments

ADDENDUM I

ALARM CALLS

	1995	1996	1997	1998
Total alarm calls dispatched	148,018	148,823	149,602	139,353
Total false alarm calls	126,086	139,412	137,412	129,943
% of calls that are false alarms	85.2%	93.7%	91.9%	93.2%
Permits with no false alarms	81,053	72,324	78,139	84,214
Permits with no billable false alarms	9,642	10,993	5,289	5,300[1]
Permits with false alarm billings	17,640	28,232	28,121	27,625
Total permits	108,335	111,549	111,549	117,139

CHANGE FROM PRIOR YEAR

	1995	1996	1997	1998	Since 1995
Total alarm calls dispatched		0.5%	0.5%	-6.9%	-5.9%
Total false alarm calls		10.6%	-1.4%	-5.4%	3.1%
Permits with no false alarms		-10.8%	8.0%	7.8%	3.9%
Permits with no billable false alarms		10.0%	-1.9%	1.5%	-45.0%[2]
Permits with false alarm billings		60.0%[3]	-0.4%	-1.8%	56.6%[4]
Total permits		3.0%	0.0%	5.0%	8.1%

[1] Estimate
[2] Reflects ordinance change which reduced billing threshold from four to two false alarms.
[3] See above
[4] See above

FALSE ALARM FEES COLLECTED
(Total Year)

	1994	1995	1996	1997	1998	1999	AVERAGE
January	n/a	$ 200,773	$ 46,965	$ 374,986	$ 401,303	$ 425,630	$ 289,931
February	n/a	$ 147,585	$ 137,700	$ 407,243	$ 391,753	$ 359,650	$ 288,786
March	n/a	$ 218,924	$ 693,990	$ 339,438	$ 415,665	$ 380,233	$ 409,650
April	n/a	$ 176,721	$ 330,886	$ 315,574	$ 364,446	$ 402,302	$ 317,986
May	n/a	$ 200,896	$ 636,032	$ 397,262	$ 357,434	$ 355,708	$ 389,46
June	n/a	$ 147,837	$ 429,324	$ 391,177	$ 352,696	n/a	$ 330,259
July	$ 233,595	$ 176,438	$ 385,964	$ 338,420	$ 407,829	na	$ 308,449
August	$ 207,133	$ 45,843	$ 417,788	$ 402,199	$ 449,138	n/a	$ 304,420
September	$ 203,286	$ 424,376	$ 377,277	$ 347,757	$ 296,326	n/a	$ 329,804
October	$ 171,141	$ 226,848	$ 322,248	$ 330,403	$ 427,765	n/a	$ 295,681
November	$ 192,398	$ 382,306	$ 263,557	$ 286,588	$ 364,621	n/a	$ 297,894
December	$ 186,315	$ 196,206	$ 497,389	$ 377,941	$ 318,580	n/a	$ 315,286
Total [1]	$ 1,193,868	$ 2,544,753	$ 4,539,120	$ 4,308,988	$ 4,547,556	$ 1,923,523	
Change from prior year [2]		21.6%	78.4%	-5.1%	5.5%	-0.4%	
Monthly average [3]	$ 198,978	$ 212,063	$ 378,260	$ 359,082	$ 378,963	$ 384,705	$ 318,676

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[1] Computations for 1994 based on last 6 months of the year; Computations for 1999 based on the first 5 months of the year

[2] See above

[3] See above

ADDENDUM III

ALARM PERMITS AND RENEWALS

	1995	1996	1997	1998
New Permits	12,451	14,871	15,167	12,827
New Permit Revenue	$ 385,911	$ 460,961	$ 470,130	$ 397,601
Renewals	86,739	88,820	91,417	94,670
Renewal Revenue	$ 2,606,961	$2,669,974	$2,747,796	$2,845,657
Total Permits	99,190	103,691	106,584	107,497
Total Revenue	$ 2,992,872	$3,130,935	$3,217,926	$3,243,258

CHANGE FROM PRIOR YEAR

	1995	1996	1997	1998
New Permits		19.4%	2.0%	-15.4%
New Permit Revenue		19.4%	2.0%	-15.4%
Renewals		2.4%	2.9%	3.6%
Renewal Revenue		2.4%	2.9%	3.6%
Total Permits		4.5%	2.8%	0.9%
Total Revenue		4.6%	2.8%	0.8%

ADDENDUM IV

PROPOSED CHANGES TO THE ALARMS ORDINANCE

Amend the Alarms Ordinance as follows:

1. Section 103.206 (b) (2), **Permit Requirement.**

the person controls the premises and is the subscriber, client, or customer of the system controller. Each permit shall be given a unique number. The Board shall charge the permit application fee as provided in Section 103.12 of this Code. No permit shall be issued or renewed for any person until all alarm system permit fees, service charges, *penalties and interest, if applicable*, due and owing are paid. The granting of renewal or a permit pursuant to this section shall satisfy the written consent requirement set forth in Section 63.119.5 of this Code.

2. Section 103.206 (d) (1), **Service Charges.**

A service charge shall be billed to and paid by permittees for each response made by the Department in excess of two responses during a twelve month period which did not require police service other than deactivation of the alarm system. A service charge shall be billed to and paid by non-permittees for each response made by the Department in excess of one response which did not require police service other than deactivation of the alarm. The amount of the charges shall be determined by the Board, ~~subject to approval by the City Council by order or resolution~~, and shall be *adjusted* based upon then-existing City costs, including salary and vehicle costs. The Board may waive the service charge provided it has adopted and follows waiver of fee guidelines.

3. Add *Section 103.206 (d) (1), **Additional Duties of Permittees.***

All alarm users shall attend alarm school prior to operating a monitored alarm system.

(NOTE: This revision is still being studied to determine the resources required to track and document participation, and to conduct the increased volume of Alarm School sessions.)

4. Section 103.206.1(b), **Permit Requirement.**

(1) No person shall engage in the business of alarm company operator without having first obtained a Business Tax Registration Certificate from the Los Angeles City Clerk.

(2) No alarm company operator shall install or cause to install an alarm system without notifying each new alarm subscriber of the permit requirement.

(3) Alarm company operators conducting business in the City of Los Angeles shall provide the Police Commission with a list of all new alarm subscribers on the 15th day of each month for the previous month. The list shall include:

- *(a) Name*
- *(b) Address*
- *(d) Telephone number(s)*
- *(e) Driver's License number*
- (f) *Police Alarm Permit number*

(4) Alarm company operators shall request police assistance by using a valid permit, if available. If not available, the subscriber's full name and address shall be used to request police assistance.

5. Add *Section 103.206 (h),* **Penalty**
Any person who fails to pay the service charge required to be paid within the time required shall pay a penalty of 20% of the amount of the service fee in addition to the amount of the service fee.

6. Add *Section 103.206(i),* **Interest**
In addition to the penalties imposed, any person who fails to pay any service fee required to be paid shall pay interest at the rate of one and one quarter (1.25) percent per month , or a fraction thereof, on the amount of the service fee, exclusive of penalties, from the date on which the service fee first became delinquent until paid.