

**HOW WILL FEE BASED SERVICES IMPACT PATROL OPERATIONS OF A
MID-SIZED POLICE DEPARTMENT BY THE YEAR 2006?**

**A project presented to
California Commission on
Peace Officer Standards and Training**

By

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This Command College Project is a FUTURES study of a particular emerging issue in law enforcement. Its purpose is NOT to predict the future, but rather to project a number of possible scenarios for strategic planning consideration.

Defining the future differs from analyzing the past because the future has not yet happened. In this project, useful alternatives have been formulated systematically so that the planner can respond to a range of possible future environments.

Managing the future means influencing the future; creating it, constraining it, adapting to it. A futures study points the way.

The view and conclusions expressed in this Command College project are those of the author and are not necessarily those of the Commission on Peace Officer Standards and Training. (POST)

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CHAPTER I
ISSUE IDENTIFICATION

Introduction

How law enforcement organizations will fund their operations in the future is the primary topic of this project. More specifically, this project will review the funding alternatives currently available and those that could be made available under existing laws and those that could be created in the future. The project's focus is on the potential future of funding police operations by utilizing a system of fees that can be charged to the recipient or what can be referred to as the end-user which refers to the person who actually receives the service or product the police provided. This will be called Fee Based Service.

The funding issue is frequently brought to the forefront by changing economic conditions. When budgets are solidly in the black, no one is concerned where the money comes from. Of course as budgets go into the red, the search is on for ways to cut the budget and reduce expenditures. Little thought is given to raising revenues beyond the existing taxes in effect at the time of the economic slow-down. Since tax increases must be voted on and approved by the community, local governments are slow to seek this method. To seek such a tax increase requires months of preparations, notices to the public, political campaigning and then the public vote of the registered voters in that community.

Police departments are considered service organizations and not profit driven. Cost recovery methods currently available could be used more effectively. The

application of fees and charges appear to be an area of potential funding that is underutilized. This project will examine the possible future impact of fees for service and other cost recovery methods to fund some patrol operations.

Historical Perspective

Economic swings have the ability to create a roller-coaster type ride for local government budgets. For example, Cathedral City is a relatively new city incorporated in the early 1980's. The fact that it is a newly incorporated city is significant to this issue. Since the city was formed after the property tax measure known as the Jarvis-Gann Initiative, Proposition 13 in 1976, the property tax revenues have been limited from the onset of incorporation. With the city heavily dependent on sales tax and hotel bed tax revenue, it is vulnerable to negative economic swings. The primary industry in the area is tourism and/or services to meet the needs of tourism.

Cathedral City is home to full time year-round residents, while the surrounding communities have a large percentage of seasonal residents. Due to the hot desert climate, many residents leave their desert homes for the summer months. This means that cities like Cathedral City, which are home to the working class families, must be a full service city to its residents year round, while demand in other seasonal cities actually decrease.

In an attempt to keep up with full time demands, utilizing part-time income generated by the tourist economy, the city instituted a series of Community Service Districts (CSDs), also know as special taxes, to focus on a variety of needs in the

community. These CSDs included traditional items like street lighting and landscape maintenance and non-traditional items at that time such as law enforcement programs including Drug Awareness and Resistance Education (DARE) officers and gang suppression teams. Voters originally approved these special taxes in 1981 when the city incorporated. They were subsequently expanded in 1983 to include police services.¹

In 1996, California voters approved California Proposition 218, which directly impacted the use of CSD's or special taxes.² Although the scenario above describes a single city, it was similar for other cities in California seeking to find funds to support city services. The passage of California Proposition 218 in 1996 brought the issue of alternative funding to the forefront once again. Most significantly affected were the local governments. Of those local governments, it was more significantly felt by small, newly incorporated cities.³

Proposition 218, similar to those sponsored in previous years such as Proposition 13, 1976 and Proposition 62, 1986, was an initiative sponsored by the Howard Jarvis Taxpayer's Association and entitled the Right to Vote on Taxes Act. It was a constitutional initiative that changed how California local governments impose taxes, fees and assessments. In summary, it made raising revenues more difficult for the local governments including cities, counties and special districts and some school districts. The measure required voter approval of new or increased fees and assessments and restricted the purposes for which fees and assessment may be levied. The sponsors of proposition 218 cited years of fiscal abuse by local governments dating back to the

passage of Proposition 13.⁴ As they see it, CSDs and special taxes were loopholes in Proposition 13 that needed to be fixed.⁵

Since the passage of Proposition 218, Cathedral City as well as many other cities have lost CSD, assessments and other fees utilized to fund many programs. An attempt to pass a special tax in 1998 by Cathedral City failed and the city lost a total revenue of 3.1 million dollars or 18 percent of the city budget. Of that amount, 2.4 million was from the police department. This represented 33 percent of the police department's budget. After the failed attempt to pass a special tax, Cathedral City was forced to cut the police budget. A cut of this size required the loss of patrol officers assigned to work units funded by the CSD, which included; gang suppression and community policing officers. A federal government funding program known as COPS More, which was an initiative to put 100,000 more officers on the streets of America, proved to be a safety net for the community policing officers. The gang unit was disbanded and the staffing levels were reduced to minimums.⁶

With this loss in revenue, a special ad-hoc group of citizens was formed to find ways to cope with the losses. Many suggestions were brought forth. Of them, charging users of city services as individual events was discussed. For example, the city could begin charging for plan reviews, on site inspections, permits and licensing and not fund the building dept. as part of the general fund, which is primarily derived from taxes.

Although not considered by the committee at the time to be applicable to police services, further consideration of charging fees for police services seemed appropriate. Avoiding the roller-coaster ride in alternative funding over the years makes this issue

very real for local governments. This project assesses the potential impact of Fee Based Services as an alternative-funding source.

Literature Review

Researching the topic of fee based policing revealed some interesting methods of charging for some police services. Current methods included items like charging for alarm permits and false alarm calls, charging for concealed weapons permits, reports and other documentation charges, and jail booking fees. In addition, alternative ways cities were using to reduce costs were researched. Some that were being implemented in many cities included items such as privatization, consolidations and competition for services. Each of these has elements relative to cost recovery and cost sharing. This report discusses several of these approaches and their potential as stepping stones of a fee based police service.

Charging fees for services in local government is restricted by law to cost recovery only. The fee charged must represent the approximate cost for the agency to provide that product or service. Local ordinances must be passed to accommodate the charging of the fees.⁷ Currently, in police service, these fees are most closely related to records, such as reports and other documentation, management and processing. There is some cost recovery allowed under the Government Code for being involved in a collision while under the influence of drugs or alcohol.⁸

A recent survey conducted by the Central Station Alarm Association revealed that on average each alarm system had 2.3 false activations per year. The residential

false alarm rate was .96 per year while the commercial rate was 2.75.⁹ The cost to police departments nationwide for responding to false alarms was estimated to be at least \$600 million. This represented 60,000 officers around the country answering false alarms full time.¹⁰ The ability to recover these costs through a system of fees, fines, penalties and permits is rising rapidly. As with most types of change, this evolution of cost recovery shows that the public does accept their responsibility to either pay for the service or reduce their need.

In the City of Los Angeles, the police department collects between \$5 million and \$6 million a year from false alarm citations.¹¹ This ability to collect was a result of a study done in 1993 where LAPD responded to 161,000 alarms. Ninety-five percent of those alarms were false. This represented 16 percent of all the calls for service by LAPD and it was costing the city \$2.8 million.¹² The City Council for Los Angeles passed an ordinance defining the policy and assessing fines and penalties. Many agencies are now adding a permit process as well. As each new alarm system is activated in a city, monitored or not, the city requires a permit. Some cities issue the permit for free. The cost however is hefty if the police respond to an alarm and that is not permitted. For example, the penalty in the City of Irvine, CA is \$300 for not having a permit.¹³ Utilizing an approach similar to that imposed for alarm systems should be considered and determined if it is applicable to other areas of law enforcement.

In the early 1990s, jail facilities in California began to charge the booking agency for each prisoner they brought to jail. This fee for service was one of the first of its kind where one law enforcement agency charged another law enforcement agency. The

reason county jails pushed for the ability to charge the departments were to help offset their sagging budgets. The police departments who did not operate their own jail were then forced to pay for booking a prisoner. Recently lawmakers were attempting to pass legislation to recover this fee from the criminal. In the State of Georgia, the House of Representatives passed a bill to allow the state to charge each defendant for booking.¹⁴ The potential expansion of cost recovery through legislative changes utilizing a fee based system appears to be a viable option.

Interviews

As part of the research to consider fee for service policing, the privatization of services and sale of service were both seen as ways to generate fees to offset the costs of providing the services. These types of services range from sports arena security services, contracting police service to other cities, selling contracts for the right to do business with the city, contracting with private industry to operate jails, and the use of police special officers, as in the City of San Francisco.

According to Inspector Michael Hayes of the San Francisco Police Department, the City of San Francisco and the Police Department sanctioned what is commonly referred to as the police special. A police special today is quite similar to that of a private security officer, however these officers report to the San Francisco Police Commission and not a private company. Each police special owns his/her beat. Not just in the manner of knowing the territory, but they hold monetary value as well. They actually can buy and sell their beat to other persons who are, or can qualify to be, a

police special. Many police specials have transferred their contracts for providing these services for hundreds of thousands of dollars. It is the same as selling a business.

What started out in the Barbary Coast days in the late 1800s early 1900s, policing San Francisco became increasingly more difficult. With the California Gold Rush and many people moving to the West, keeping up with crime was difficult. Business owners frustrated by the increased crime and lack of police response began paying officers to give their homes and/or business extra attention. When this came to light and was found to be gratuitous in nature and not something the Police Department wanted to sanction, many officers quit being city police officers and began working as police special officers assigned to work for those who could afford to pay for their protection. Still concerned over controlling the officers and their actions, the city fathers created the ability to license police specials. They wore the same uniform as the regular police officer. They frequently made arrests and assisted the San Francisco officers in handling their calls. To this day many still believe that these police specials are regular police officers. In fact when the police commission was formed, each police special was required to respond to commission inquiries similar to that of regular police officers.¹⁵

Inspector Hayes stressed that in today's political climate the police specials still play a significant role in providing security services to primarily business districts. Most recently they have changed the uniform so that police specials are not as easily confused with the regular officers. Although required to be licensed as California State

Security guards, these officers are still paid from the residents and business on their beat, while wearing the badge and shirt patch of the San Francisco Police Department.

Commander McCabe of the Palm Springs Police Department was responsible for the privatization of the Palm Springs City Jail. Wackenhut Security, a nationwide private security firm, now operates the city jail. Under contract with the City of Palm Springs, Wackenhut provides all the necessary personnel to operate the jail housing facility. The City of Palm Springs pays for the security company with the reimbursed booking fees from other cities who book prisoners at their jail. In addition, the reduction in city personnel cost, that formally staffed the jail, now pays the balance of the contract. Although still civilly liable for the jail, the day-to-day operations of the facility are now in the hands of a private company. The supervisor of the jail reports directly to the on duty watch commander in the same manner as a regular police officer.¹⁶

Although police departments are prohibited from making a profit, many others make profits from what we do. As an example, local towing companies compete using a bidding process for the right to be the contract towing service for individual cities.

Jesse Mohica, owner of Mohica Towing, serves several Coachella Valley law enforcement agencies as their contract tow service. In Cathedral City, the competition was among four different towing services. Each had to agree to pay the city for the privilege to work for the city. Once awarded the contract, the towing company had to pay the city \$15,000 just to be on the list of companies to be called. In addition to this fee, the city requires a revenue sharing agreement in which the city collects one-third of

the total impound storage bill when the owner claims the vehicle from impound or when the vehicle is subsequently lien sold when no one claims the vehicle.

Revenue sharing cost is significant to Mohica Towing, totaling several thousands of dollars more during the contract term. The income however from the contract and the relationship is far greater. Not just from the police calls, but from the towing services after the police calls. "The reputation one company gains from being a police contract tow, gives those that use our company some level of confidence we can be trusted," according to Mohica.

It's either a higher level of trust or they feel they can complain to the city if the tow service is not up to standards.¹⁷

This contract agreement also requires the towing company to provide free towing and response for police department owned vehicles. Even with that, the contract proves valuable to both the city and the towing company. Having been on the contract service for seven years, Mohica Towing intends to extend the contract another three years.

The City of Palm Springs currently utilizes a Utility Tax to raise funds for city departments. Mayor Will Kliendiest serves as chairperson of that committee that oversees the tax. The Mayor indicates that while there was a desperate need to raise revenues for the city, the use of a Utility Tax was seen as a last resort.

Mayor Kliendiest stated that they chose a utility tax over a special tax or community service district because of some of the inequities of each. The mayor

discussed the fact that different people pay different rates under the CSD system. The problem was that the difference in the amounts being paid was determined by someone employed by the city. "This does not sell well to the educated tax-payer," according to the Mayor.¹⁸ In the case of a utility tax, an across the board percentage is given to all customers within the city. Each person who pays an electric bill would then pay the percentage attached based on their use. For example, if the tax were 4.5 percent and the person's electric bill was \$100, excluding other state fees, then the bill would be \$104.50. The mayor felt that this type of tax was an easier sell to the community. Having read in the local papers and from talking with Cathedral City leaders, he understood the concerns over a community service district and how it failed to pass in Cathedral City. The utility tax was put to a vote in Palm Springs and was successfully passed by the voters.

Most recently, Mayor Kliendiest indicated the city was considering lowering the percentage of the tax.

We must look at how much revenue is collected as Southern California Edison imposes their significant rate hikes as a result of the energy crisis in California. We must be certain our revenues do not rise above our cost estimates and that the city attempts to reduce the financial pressure on the citizens paying the higher electric bills.

In a related matter, California Senate Bill 62X by Senator Poochigian, was proposed in an effort to keep cities from reaping a windfall from the rising energy prices. SB 62X would mandate that utility user taxes levied by local governments be imposed on a per-unit basis, rather than the current cost-based system. The concern was

that the tax would need to rise with the rates to offset the cost of the higher electrical costs paid by the city to run city operations. The League of California Cities opposes this bill saying the results could be devastating to utility user tax cities.¹⁹ As the energy crisis continues in California, this may become a larger concern for any local governments who have implemented a utility tax.

Providing police service to smaller cities normally is done by contract with the County Sheriff. Since becoming a city in 1963, Desert Hot Springs has gone from being a county contract to starting their own police force three times.²⁰ The first two times the police department was closed down after a few years due to the high cost of running a police department. When the citizens again asked to have their own police force, they looked to the other cities in the area with successful departments. This was the city's third time it considered replacing police services that were being provided by the County Sheriff. This time the City of Desert Hot Springs went out to bid. They received four proposals to provide police service. The Sheriff's department, The City of Palm Springs and the City of Cathedral City all submitted bids to become the Desert Hot Springs police force. In addition, the city staff of Desert Hot Springs made a proposal for starting their third independent police department.²¹

In Cathedral City, Captain John Holcomb was the person charged with developing the bid for service. This was not the first time Captain Holcomb had prepared a bid. Just a year prior, the neighboring city of Rancho Mirage requested Cathedral City to bid for providing them police service. Holcomb indicated that these contracts were not designed to supplement the coffers of Cathedral City. A contract

with Desert Hot Springs could however make additional funds available to the cities. As a contract city, Desert Hot Springs would not have to pay to maintain their own dispatch, SWAT (Special Weapons and Tactics) or management services. A portion of the contract would be given to Cathedral City to provide these services. The cost saving is the fact that these programs currently exist; they don't need to be recreated. The costs to expand the services to Desert Hot Springs were less than the costs to start their own. The funds paid to Cathedral City would help maintain the staffing. Since there is no duplication of efforts, the contract allowed both cities a cost saving.

The cost saving is enough to stir competition amongst agencies. It also makes each department evaluate the costs of their services.

Even though the City of Desert Hot Springs opted to form its own police force a third time, the process of bidding and the respectful competition between the different agencies provided an opportunity to review just how cost effectively we can do business.²²

This competition was evident amongst the city police and county sheriff in Sacramento as well. At a recent meeting, representatives from both Sacramento Police Department and the Sacramento Sheriff's department discussed the policing of the ARCO Arena, a sporting venue within the city limits of Sacramento. Under a contract, the ARCO Arena and the City of Sacramento Police Department agreed to provide the security and policing needs of the facility. However, during recent contract negotiations a competitive bid from the County of Sacramento beat out Sacramento PD. The facility's policing needs were turned over to the Sheriff's department. According to Lieutenant Joe Valenzuela of the Sacramento Police Department, his agency was not

meeting the needs of the arena. “We dropped the ball”, referring to the sporting nature of the Arena.

We had a good contract, but failed to give the people of the Arena a personalized approach. We knew they needed police services and believed (primarily because they were located within the city limits of Sacramento) they had to do business with us. They needed our service. We didn't consider the competition.²³

The result was a significant loss in revenue to the City of Sacramento and the more directly the patrol operations of the police department, which is what this study seeks to prevent. This is just one reason law enforcement must consider funding alternatives for the future. Planning for increased revenues is not difficult, it's the sudden loss of revenue that requires the advance consideration and preparation.

Negative economic swings, or changes in the economic make-up in a community can drastically affect the amount of tax revenue. Recently we have seen areas in California, such as the Southern San Francisco Bay Area, known as Silicon Valley, hit by the changing economics and exodus of many high-tech firms from the area. Being able to foresee these events and prepare alternatives will play a role in the level of services those agencies can provide when they feel the impact the loss of revenue can produce.

Seeking funding methods, and reviewing the ways in which police work is bought and sold to the public at large opens the mind to the possibilities of going about raising revenue differently. Should law enforcement rely on taxes to continue to provide the major source of revenue? In the next chapter, a group of individuals

engage in a process that should provide another opportunity to look at alternatives.

That process is known as a Nominal Group Technique.

CHAPTER II

Futures Study

As part of the futures study, a tool known as a Nominal Group Technique, (NGT), was utilized to obtain a variety of input into the issue of utilizing fee for service policing as a method to fund patrol operations. The exercise was held on March 2, 2001. Each participant was selected due to his or her known expertise in areas likely to have influence in the potential future impact of what will be referred to as; Fee Based Policing.

Nominal Group Technique

The participants in the nominal group technique were a Mayor and owner of an insurance agency, an owner of an alarm and security company, a director of Parks and Recreation and a government special event coordinator, a police commander, a police chief, and an attorney, representing multiple incorporated cities. (Appendix A)

Process Description

The first portion of the NGT was a period in which participants introduced themselves, indicated their areas of expertise and their reasons for agreeing to participate in the process.

A review of what the process would entail and a definition of the terms related to the technique was also done. Once questions were answered about the process, a detailed description of the issue followed. Once the participants were comfortable with the issue statement and the process, we began.

Trends

The participants were given up to fifteen minutes to silently generate trends they believed might have influence over the issue. Once generated, in a round-robin format, each trend was stated and listed on a power point presentation. The group generated a list of fifty-four trends. (Appendix B)

The participants then discussed each trend. Some were consolidated when discussion indicated each trend's originator understood the same intent. The discussions seemed to focus on the common belief that funding issues would in fact represent major challenges for law enforcement agencies in the future. The politics of increasing taxes and the outcome of Prop 218 that would require Community Service Districts to be voted and passed with two-thirds majority instead of a simple majority dominated the conversation. As mentioned during the introduction to this project, the issue of funding sources is still a fresh concern of the local communities.

The group then voted on the ten trends they felt were most relevant to the issue of Fee Based Service, and how it may provide a suitable source of revenue for police services. After further discussion and each member's vote, a list of eight trends were determined to be of concern to the group.

In the following table, participants were asked to rate the trend in numerical values. Using 100 as the value of today, they were asked to rate where the trend was today in comparison to five years ago, 1996, five years from now, 2006 and 10 years from now in 2011. In addition they were asked to assign a numerical value between 0-10, representing their level of concern, with 10 being the highest level of concern on the

issue of fee for service policing. The information gathered from each participant was combined and the mean values are shown in the table that follows. Once rated, a review of each participant's score was done before the group. If there appeared to be a wide difference of opinion on the value and or impact of the trend, those at opposite ends of the scale were asked to discuss their reasoning. This proved valuable to the discussion process and helped bridge the gaps between different views. It was not the intent of the process to find a centrist point of view. The discussion between the participants tended to resolve itself when most believed there was a good understanding and acceptance of each other's points of view.

Table 1

Summary Trend Table

TRENDS	-5	TODAY	+5	+10	IMPACT 1-10
1-Charging for non emergency service	45	100	140	180	6
2-Billing for cost of jailing defendants	30	100	130	160	5.1
3-Special Event Fees	65	100	150	190	5
4- CSD/Utility Taxes	70	100	165	245	6
5-Security for Events/Facilities	77	100	160	160	6
6-Permit Fees	66	100	165	235	5.3
7-Charging High Risk/Volume user	65	100	166	255	6
8-Regulatory Inspection Fees	38	100	182	255	6

Trend #1- Charging for non-emergency police services

The participants defined this trend as one in which Police Departments can charge the individual user for police services. Examples were purchasing reports, paying for vehicle releases, charging fines for excessive false alarms, and hiring extra police for special events. The participants also discussed changes in the laws that allow recovery of costs when a drunk driver is involved in a traffic collision. If this trend was to continue the participants believed that there were many areas in which the police could charge for services over and above the paying of taxes for traditional police services. Some examples were paying additional for preventative patrols, traffic collision responses and investigations of the collisions for documentation versus determining fault and/or reconstruction. The participants indicated that these were areas of police services that currently do not have high priority in patrol operations. Each of them is dependent on time and officer availability. This evolved into a lengthy discussion in regards to providing basic emergency response systems independent of non-essential services. If the police department could fund, via a fee for service, the personnel required to perform these functions, a higher standard of customer service between the community and the department could be the outcome. The difference being in the nature of the response. The participants believed the police should respond to all collisions, as part of the department's responsibility to serve the community. Once there however, the extent to which the department investigated or assisted could be left up to those involved. Perhaps a sliding scale of fees could be created to pay the costs

involved. A different price could be charged for simple documentation versus a higher price for detailed investigations.

Trend # 2- Billing persons arrested for jail and the booking process

Currently the County or other jail facility charges departments for each prisoner they bring to that facility. Some participants discussed the possibility of billing the person in jail similar to that of a hospital. This would be similar to a hospital room charge on a per day basis. For the person who is not able to pay, it was suggested that they pay upon their release. Potential ways to do this are discussed later in this report.

Trend # 3 - Fees for Special Event staffing

Many departments now charge event promoters or sponsors when their event requires the presence of additional police officers. In some cities and counties, approval of the event is contingent on the police staffing being paid for in advance. The participants believed the trend had relevance since it has spawned competition between security firms and police departments to provide these services. Security firms can offer their staff at more reasonable rates since most law enforcement agencies bill for their officers on an overtime rate. The trend to provide a mix of police and security instead of all one or the other has been one of the outcomes from this recent competition.

Trend # 4 - The use of Community Service/Special Fee Districts/Utility Taxes

The participants believed the passage of California State Proposition 218 had a direct impact on the ability to seek this kind of funding. As mentioned in the introduction of this report, the loss of this type of funding spurred the interest in finding alternative

means of funding services. It is anticipated the use or establishment of these districts will become more difficult due to the new law.

Trend # 5 – Security for events and facilities

The participants agreed this trend was similar to Trend 3. They held this out as different for the following reasons: When a city approves a project such as an amusement park, professional sports facility or airport there is an increase in the costs of providing services to those facilities and the events held there. The participants believed that this type of facility should be evaluated and charged a proportional amount for police services.

Trend # 6 – Implementing Permit Fees for alarm systems; fire, burglary and robbery.

Distinctly different than the trend in charging for false alarms, some cities are requiring homeowners and others with alarm systems to obtain a city permit. The fee for that permit is to offset the costs of responding to such alarms. The trend is to include a fee in addition to a business license for alarm monitoring companies to pay upon calling in an alarm. The group felt that alarm systems and their related monitoring do represent an increased cost to departments. In addition, since the department has no control over whether a home or business becomes alarmed, they have no control over this increased cost. Permit and response fees are seen as a way to recoup the costs.

Trend # 7 – Charging additional fees for high risk/high volume users.

Similar to that of charging drunk drivers for traffic collision responses, some agencies are charging, through local ordinances, for the costs to close down parties or

events that have become out of control requiring a significant police response. After warning the host or homeowner of complaints received and after giving them sufficient time to resolve the problem if the complaint persists and police are required, the costs related to those responses are charged to the homeowner. This is also currently being done in hazardous waste removal and spills. The participants indicated that this trend had potential and felt it was appropriate way to recover costs. Many suggestions were made as to what areas of law enforcement services could utilize this system. The participants stated that it seemed appropriate to charge the high volume user and/or abuser of services more than the average taxpayer. An example given was that of a department store. Since they control the number of arrests made for shoplifting, they could pay a service fee for each police response.

Trend # 8 - Regulatory Inspection Fees

Similar to that of building inspectors and fire marshals, police officers and managers are now engaged in inspecting projects and proposals. This began as departments expanded into the philosophy of CPTED (Crime Prevention through Environmental Design). This means police officers help architects, planners and designers to consider the potential weaknesses in the proposed design that would create the opportunity for criminal activity and recommend designs that would deter crime. Charging a fee for this review and participation is a trend as seen by the participants.

Events

Following the trend analysis, the participants focused on potential events. The participants were asked to silently generate a list of possible events that would have an impact on the issues of Fee Based Policing. The participants then presented their events through a round-robin process. A list of 37 potential events was discussed. (Appendix C)

The participants reviewed and defined the events. Any duplication or similar events were consolidated. The participants discussed how recent events tended to be a tool that may predict future events. The one-time nature of an event was discussed versus a series of events presenting the previously discussed trends. Following the discussion the participants voted for the events that they believed would have a significant impact on the issue of Fee Based Service. The voting resulted in a list of ten events.

In the event table that follows, the participants were again asked to assign numerical values to the event. First they were asked to state when the event could possibly occur. The event must not be just a mere possibility, but their informed opinion as to when it was likely to occur. They were then asked to assign a percentage of likelihood to the event occurring within a five-year period, then a ten-year period. Lastly the participants were again asked to assign a numerical value between 0-10 as to the impact the event would have on the issue. They were also asked to clarify the impact as either positive or negative. As with the trend tables, once the results from each participant were received, discussions were held to understand the differences in

opinions. For example, on areas where the results showed the impact of a trend was seen as a positive by one participant and a negative by another, each described their beliefs and position on the event. These discussions helped to show where potential support for an issue might be, politically, and where the dissent on an issue may be found. Having people from varied backgrounds and experience helped to foster creative thinking in the group. It also demonstrated areas where future competition may occur as different organizations are providing similar services. As an example, the competition between a private security firm and police department to provide protection/security services. In addition the competition between competing interests such as the full recognition of tribal police as qualified police officers in the State of California, versus the requirements or current standards of traditional police agencies.

Table 2

Summary Event Table

EVENT	YEAR >0	+5	+10	IMPACT 1-10 (+/-)
1-Casino Contract	1.6	56	73	+5
2-Loss of CSD Utility Tax	2.3	60	73	-8.8
3-Consolidation of Cities/Govn.	7	0	27	+7
4-Technology Efficiency	2	68	90	+6
5-Energy Crisis	.86	83	220	-7
6-Stock Market Plummets	1.3	19	46	-3
7-Passage of CSD	2.8	45	75	+8
8-Repeal of Prop. 218	4.1	28	50	+7
9-Redevelopment Funding to Enfor.	4.5	36	60	+7.6
10-State Funds to enforce State laws	4.5	23	36	+8

Event # 1 – City contracts with Casino for police services

The participants believed it was likely with the advent of more Native Indian gambling casinos, the need for police and services would be required. The participants thought that if a casino were to contract with the local police department to provide these services this would be similar to an unincorporated city contracting with an outside agency. The difference being that the casinos are not regulated in how they collect the money they will pay to the police for this contract. The success of the casino would have a direct impact on the fee charged for this service/contract.

Event # 2 – Loss of Community Service District or Utility Tax

This type of event has occurred in Cathedral City. The participants have seen up close the impact this event would have. As an example, many cities have lost the funds generated by these systems. When put to a vote as required under proposition 218, many failed. Cities experienced millions of dollars in reduced revenues. The participants believe that if this were to occur in another jurisdiction there would be significant impact on the funding issue. Locally, the Cities of Palm Springs and Desert Hot Springs rely heavily on a Utility Tax.

Event # 3 – Consolidation of Cities

The participants made a distinct difference between the trend toward departments consolidating services, such as SWAT and Dispatching. The event described here represented two or more individual cities consolidating into one single city or governing body. The new larger governing body would then be able to redistribute revenue, which may impact the need for additional fees for police services. For example, the money saved by eliminating duplication of efforts in management services could be applied to hiring more officers and/or expanding other community based programs.

Event # 4 – Technology eliminates services by providing real-time monitoring.

Technology was seen as a method to reduce the need for some preventative patrols. Participants believed this event could reduce demand on police and thus have an effect of reducing costs or being able to redirect resources. With the advent of web cameras, small cameras that can send their signal via the worldwide web/internet to

anyone who can view the assigned web site and other low cost forms of electronic monitoring, the need for physical viewing of areas is diminished. Similar to that of a radar operator, a person assigned to monitor web cameras could easily cover more locations much faster than an officer physically responding to each location.

Event # 5 - Energy Crisis

The participants believed that the recent attention to California's electric energy concerns might erupt in a full-scale energy crisis similar to that of the early 1970's. They believed this would have significant impact on the costs of services and concerns over civil unrest. It was also possible that the demand for other sources of energy would create shortages and may impact this issue further.

Event # 6 - Stock Market Plummet

The participants thought this event would also have an impact and may create civil unrest and of course a possible economic recession. Both could significantly impact the issue. For example, the increase in the unemployment rate as a result of failed business would put higher demands on police services. Many of these unemployed would engage in illegal activity and/or become part of a growing homeless society. If not directly affected by these individuals as a police problem, the local governments would still need to provide outreach and services that were not budgeted for, therefore a reduction in the budgets of all departments would occur.

Event # 7 - Passage of Community Service District (CSD) Tax

The ability to pass a CSD/special tax would impact the issue as well. The participants discussed the marketing of a properly proposed CSD. The strategic

planning it would take to garner community support and the more important voter approval of a CSD type initiative. The result would be an alternative to traditional taxes; the CSD could bring additional funds to the department.

Event # 8 – Repeal of Proposition 218

The participants felt that court challenges could possibly impact the validity or useful life of proposition 218. If local governments win some of the court challenges the remedy may in fact be repeal of the proposition. This would return the liberal standard, or liberal interpretation of the standard, which allows a city the ability to charge a CSD.

Event # 9 – Permitting redevelopment tax revenue to fund law enforcement services.

The participants believed that legislation could be passed that would make it allowable to utilize these restricted funds for police services. A correlation can be made between policing an area designated as a redevelopment district, as a form of improvement to the area.

Event # 10 – Mandatory State funding for enforcement of all state laws.

The participants believed that should the state be required to repay a local government for the costs of enforcing state laws, it could help put more money into patrol operations. With most of crimes being enforced and prosecuted based in State law such as penal code, vehicle code, etc. a significant portion of a department's budget would be reimbursed by the state to the local governments, this again could have a significant impact on the need for fee based service.

The discussion that followed was focused on primarily local issues. For example the City of Palm Springs and the City of Desert Hot Springs both currently have Utility Taxes. With the potential energy crisis on the horizon, would this tax be in jeopardy. In addition, the Cities of Palm Springs and Rancho Mirage, as well as in county areas are currently host to several Native America Indian casinos. All are experiencing increased demands for police services that was not provided for by the development of the casinos. Since the Indians are not required to pay income or property taxes, there is no direct revenue from the facility's gaming.

The group also discussed in detail the fact that law enforcement deals with a small percentage of the population over and over again. As mentioned previously the average citizen does not use law enforcement's services regularly. The ability to charge the criminal, the insurance companies or the person or business that requires additional service above the basic needs of criminal suppression and emergency response would be more appropriate. The discussion went on to include the participant's concerns of how providing basic emergency services for less tax dollars while still charging the end-user for other non-essential services. The group felt some sort of baseline service level would need to be created.

Cross Impact Analysis

In the matrix which follows, the participants were asked to assign a value from -5 to +5 indicating the impact that each event would have, if they should occur, on the trends. The values were combined and a mean value was listed. Some of the

participants saw the impact of an event having little to no value, and these were given a value of zero.

Table 3

Cross-Impact Matrix

Cross-Impact	Trend 1	Trend 2	Trend 3	Trend 4	Trend 5	Trend 6	Trend 7	Trend 8
Event 1	+5	+1	+5	-5	+5	0	+2	-3
Event 2	+5	+4	+3	-5	+3	+5	+4	+4
Event 3	-2	0	0	-3	0	0	0	0
Event 4	-1	-2	0	-2	0	0	+3	+2
Event 5	+4	+3	+3	-3	-3	-2	+2	+3
Event 6	-2	-2	-5	+2	-2	+2	+2	+2
Event 7	-4	-3	-2	+5	-2	-1	-2	-2
Event 8	-4	-1	0	+5	-2	-4	-1	-3
Event 9	-1	0	0	-2	0	-1	-1	-1
Event 10	-2	-4	0	-2	0	0	-2	0

Five of the participants in the nominal group technique later provided information for the cross impact analysis. The overall analysis tended to show that if the local government had control over the ability to raise funds the decision as to whether to utilize a fee based system was impacted significantly. For example, if the state paid the local government to enforce state laws (Event 10), the participants

believed that the impact on the ability of the local agencies imposing their own fees for services would not necessarily be impacted. Since the state money would be spent on enforcement and not on non-enforcement related activities, the trend toward finding methods of funding additional duties not originally thought to be traditional police responsibility would continue. The participants believed that as law enforcement agencies become more intertwined with what is commonly referred to as quality of life issues in their communities, the more they get involved in non-enforcement activity. Seen as a natural progression of community oriented policing, some of the participants believed that creating an environment that attracts businesses and residents to the community they serve have become an integral part of law enforcement activity. One of the participants paraphrased someone believed to be in the marketing business with: It takes money to make money. If government leaders believe providing such services can serve to attract people into their community, the return on the investment would be a broader tax base. The participants said the key was to balance the growth while keeping up with the increased demands for services.

Alternative Scenarios

Based on the discussion during the NGT, a series of scenarios were considered. In the following paragraphs, stories are told to demonstrate the possible future impacts of the trends and events discussed. While reading these scenarios the reader should assume each story is occurring in the year 2006.

Pessimistic Scenario

The 9-1-1 operator pulls the phone away from her ear. The person on the other end of the phone is now yelling loudly, demanding an officer respond to his home to investigate a burglary. The caller does not understand why the police won't come; after all he pays his taxes. In fact, he pays a lot in taxes. The dispatcher explains that due to the loss of revenue from the local community service district fee, the police don't have the resources available to respond. The city leaders have established a priority list for the officers and the department. Violent crimes against another person are the highest priority, while crimes such as burglary to a residence fall way down the list, even after providing the same service to the local business community. The caller argues that his money is the same as the money paid by the business and doesn't understand why they get a response ahead of his.

Since the steep drop in the stock market and the failure of two initiatives to reinstate the local community's ability to charge for police services, there is not enough money to hire enough personnel to handle the calls that don't present a serious threat to life. A process for charging the end user, such as the criminal or person actually benefiting from the police services, has had little to no success. This is because most of the end-users don't have the ability to pay the community back for the cost of the police service provided to them by the patrol officers.

The private security companies and alarm system operators are having difficulty managing the rise in demands for private patrols and new alarms systems. Plus they are concerned about the new fees being charged by the local governments in the form of permits and false alarm penalties.

The consolidation of a number of local governments into one agency has reduced the costs of those individual cities. This is usually from a cost savings in salaries from diminished management personnel, however the combined services still don't meet the standard law enforcement had prior to the passage of Prop 13 back in the 1970's and the passage of Prop 218 in 1996. Some in law enforcement blame the community's residents for worrying too much about their short-term cash in their wallet, instead of investing in their future. Since so much of the work law enforcement performs is not seen by the general public, until they actually need it, some believe the voters didn't know what they were doing by passing the initiatives that crippled public services. Of those services crippled, the patrol division of a police department is the most visible to the public.

None of this is even on the mind of the caller who is still giving the dispatcher a piece of his mind. The dispatcher is heard to apologize over and over for her inability to find an officer to send to his home; the line goes dead.

Optimistic Scenario

The couple turns to their real estate agent and they tell him, they want to live in Cathedral City. After all, the crime rate in the city is half that of its neighboring city.

They point out that the tax burden per capita in the city is also half of the surrounding cities. The new downtown is thriving; businesses are lining up at City Hall to relocate to the city. Business owners cite the reduced cost of operating their business in the city and the high quality of the city services.

In the State of the City address, the Mayor is ecstatic over the fact that the city had come back from brink of bankruptcy to become a full service city. Citing the balanced approach of using the property taxes, special district fees for crime prevention programs, permit fees and other methods of charging the end user of city services, rather than the community as a whole, as part of the successful recipe for the turnaround. The use of these different methods were key to creating an economic environment that attracts businesses and residents to the community.

Since many of the troublesome businesses and residents that traditionally created a high demand for police responses, especially from the patrol division, began being charged for their use of the services, they have found alternatives to calling the police. They tended to resolve their issues on their own. They have utilized a number of technological advances in crime prevention techniques. Rather than paying the penalties and costs of their use of the police, they have used those funds to invest in their future, by eliminating their need for the police. Many have engaged in private contracts with security and alarm system operators that not only protect their homes and businesses, but save them money since they won't have to pay for the on demand services of the police department.

The patrol officers are proud of what they have been able to accomplish since they have had the time to focus on the real crime as one officer put it. "Since the citizens began taking crime prevention seriously and teaming with local security firms, we have been able to do our part in patrol by taking the violent criminals and drug abusers off the street," Officer Jones said.

Since the state began assisting local governments by providing funds to enforce state laws, the patrol officers have been able to spend their time on criminal activity exclusively. The officers understand their role in providing a safe environment for the improvement of the quality of life for all the citizens of the community.

Normative Scenario

Although the stock market crash has created a financial crisis for many, the local governments are still charged with providing basic city services. Such services, such as police patrols, have their funding based in property taxes and special district funds.

The residents saw fit to make sure these services were sound, even when money was tight. This has required innovated approaches to maintain the status quo. It was once thought that these approaches might make it easier to fund patrol operations; it has actually been a balancing act. This is a good thing however.

The goal of charging the end user of patrol services to pay for their use has been realized. The funds generated have offset the costs, so it has been a success. Instead of raising property tax rates, using the alternatives of permit fees, private contract police

officers and competing for local event security has kept the police department running in the black.

Although contracting out some patrol services, the department still holds a competitive salary and benefit package. One trouble still remains, are there enough qualified applicants to fill the vacancies? This was and continues to be the biggest challenge to maintaining a solid patrol division. Even as technological advances have reduced the need for police in some aspects of patrol operations, they have increased demand for officers trained in the new technology to be able to keep it from being abused. "We must take the good with the bad," said Officer Jones. As the officer assigned to the Right to Privacy Unit, he spends most of his day insuring that monitors, web cameras and the like are not violating the privacy of the citizens. This officer's salary is being paid for by special district funds approved by the residents to work this area of the law. The citizens recognized a need for this type of enforcement and sponsored the local initiative to pay for it.

After reviewing the scenarios, we can see how implementing a fee-based system can have both positive and negative influences. It is important to try and create the environment to allow for the positive impacts and aspects of fee systems to develop. By keeping in mind the issue of funding operations with alternatives to taxes, such as the fees and processes used in the preceding scenarios we have created options for consideration. In the next chapter, the development of a strategic plan will be key to creating the environment mentioned.

CHAPTER III
STRATEGIC PLAN

Introduction

The purpose of this chapter is to develop a strategic plan for the implementation of Fee for Service policing. Utilizing the processes of Chapters I and II, an approach to implementation will be presented.

To develop a strategic plan with the optimistic scenario as described in the previous chapter as a desired future, the organizations involved must be prepared to accept change. Being able to manage the change properly may make or break the potential of the new plan.

In order to manage the process of change, it will be important to demonstrate an understanding of the environment in which change is going to be required. What will the potential obstacles to the change be? What external and internal factors will influence the ability to make change in the organization? Will the plan be presented in an intelligent manner that those involved can understand and commit to?

It is hoped that preparing this plan will help expose the identifiable weaknesses, potential opportunities, threats and strengths relating to this issue. This will include a look at the potential stakeholders and snaildarters. With the most important element in any potential future for this issue being the people. They should be able to participate in the planning process if there is hope of success in the implementation phase.

Obstacles

These are areas which could prove to be roadblocks to the implementation of the strategic plans. Having prior knowledge of them allows time to address the potential obstacles before they develop.

- ◆ Definition and the interpretation of the laws related to fee and tax collection.

Currently there are challenges to what is a property related cost and how they are applied.ⁱ

- ◆ Agencies can recover costs, but how the calculation of cost is done varies tremendously agency to agency. Comparisons between what each department charges could create an obstacle.

- ◆ Local government political process. Since these fees will be generated by local ordinance, navigating the process may be difficult.

- ◆ Resistance to change. Traditionalists in police management and city government may resist the implementation.

- ◆ Timing. When this program is implemented may have an impact on the public's perception of validity. If seen as just another way to tax them, it may not have the desired effect.

Opportunities

Understanding what the potential outcomes of the implementation of the program or services suggested by the strategic plan, the manager can focus

efforts to enhance these positive opportunities.

- ◆ Increased revenue designed for cost recovery from charging for individual services.
- ◆ Stabilized revenues. Base line taxes are to provide for traditional services and not stretched to meet other non-enforcement needs.
- ◆ Reduction in the non-essential police responses/services such as civil matters, process serving, court order documentation
- ◆ Increased interest in resolving issues amongst neighbors rather than having the police fix it. Enhancement of community based policing efforts.
- ◆ Partnerships with private industry service providers, such as: alarm companies, security companies, venue providers, and event promoters.
- ◆ Quality of service. If officers or designated investigators know that they are allowed to do thorough follow-up without being sent to the next call for service, the community receives a better product.

Threats

Knowing what may represent an external or internal threat to the process gives the planners an opportunity to develop methods to diminish the threats.

- ◆ Rejection of process. Public may not understand how system is utilized. Fear of costs could prevent calls to police for essential services.
- ◆ Competition between service providers could degrade quality of the service being provided to save costs.

- ◆ Quota systems. Although currently outlawed in relation to arrests and citations,²⁵ if pressure is on to raise funds, this could be perceived as a quota.
- ◆ Collection of fees. Currently taxes are paid to cities from the county; fees now would be collected directly by the organization.
- ◆ Ability to pay. Concern about whether only those who can afford the service will be able to access it. Some in need may not be able to pay the additional fee.

Strengths

Being able to promote the strengths of the potential plan upon it being implemented will help build support for the plan. These strengths are:

- ◆ No change in the type or nature of the service.
- ◆ Current momentum supporting user fees as acceptable.²⁷
- ◆ End-User control. The system will provide the end-user some control over the use of enhanced or fee services beyond the basic or essential police response.²⁸
- ◆ Competition to provide services. Potential from private investigative organizations, private alarm and security companies and insurance companies.

Stakeholders

Stakeholders are those people who may play a significant role in the success or failure of an issue. They can either be influential to the issue, or be influenced by the

issue. Listed below are those people, or groups of people who are seen as stakeholders and who must be involved in the planning of this issue.

- ◆ Community members, taxpayers. If the public is not informed on the issue it will be difficult for them to make informed decisions. Having members of the public involved in the planning process or a steering committee is essential.
- ◆ Local Government Officials. As with the taxpayers, the local government officials must understand their significant role in creating the fees to be collected. Changes in laws will require legislative action.
- ◆ Police Management. It will be a difficult task determining what should and should not be an essential police service. Some services are more readily defined as essential or non-essential. It will be imperative that police managers work closely with the end-user to determine the level of service they expect.
- ◆ Insurance Industry. It may fall upon insurance companies to foot the bill for some fees. For example, many departments have stopped investigating non-injury collisions. This meant the insurance company was placed in the role of determining whether or not their client or the other driver caused the collision. Without supporting police documentation and investigations, this may be more difficult.
- ◆ Security Service Providers. As police departments begin to charge for preventative patrols, vacation house checks or alarm responses, security companies may be the beneficiaries of any competition. For example the security service provider may offer the same service for less. The possibility of diminished service standards may become an issue during such competition.

- ◆ Venue Providers. Those who own venues where large sporting or entertainment activities take place will want to be heard in regards to special event planning and permitting. In addition, a fair and equitable mix of professional police officers and professional security service providers at events could be a goal of this group. Cost controls will also be of concern since the cost of services provided will have impact upon the ticket sales price.
- ◆ Event Promoters. Similar to the concerns of venue providers, event promoters will need to understand the ratios between attendance and police service staffing levels.
- ◆ Land Developers. As part of the crime prevention reviews in the building planning stages, land developers may be charged fees for bringing additional demands to city services. A method of compensating the city for the added burden will be a continued concern of land developers.

Snaildarters

A snaildarter is a stakeholder, event or process that has yet to be identified, but could become an unexpected obstacle to the issue.

- ◆ Howard Jarvis Taxpayers Association. Members of this organization may not be directly affected by the implementation of fees for service in an individual city. However, if there is public dissatisfaction with the system, they may see fee based service as another loophole to taxation. This could result in legal challenges to the process.

◆ American Civil Liberties Union. There is a potential for an issue of class discrimination. Should this be raised when dealing with the issue of who can afford to pay for the services the ACLU or similar groups may take notice. The process used when establishing the difference between essential and non-essential police services would be critically reviewed by groups such as the ACLU and must not be limited to those who can afford to pay and those who cannot pay.

Strategies

Having considered those items listed above, developing a strategy to deal with the potential obstacles while amplifying the strengths of the proposal is the next step. It is best to begin with the end in mind.²⁸ Law enforcement management must present a vision to the organization of what the desired future is as well as its benefits. Work with the stakeholders and create a mission statement that will reflect the vision of the desired results. A mission statement, in short, helps to set the tone and pace of the process. The action words should be chosen with care.

Another valuable strategy is to determine how the current system has created this desire to make changes in the way in which we currently do business. In other words, we must analyze the following questions: How did we get here? Why is the current system failing and/or what are its shortfalls? Will the new system work to obtain the desired results? Although some of these answers may be obvious, the most frequent reason for financial problems are the increasing demands of society and a tax base, that even when working at its best, is still slow to provide the needed income.

Police and other governmental organizations have become over-dependent on tax increments to pay for more than the basic law enforcement services as they were intended.

Make changes and/or modifications gradually, making advances toward the vision in small increments. Be prepared to give and take on the changes. Some will meet acceptance, some will be rejected outright and some will be viewed worthy of a chance to be successful. Stay faithful to the objective. If a proposed change is rejected at first, be willing to bring it back after other advances have proven worthwhile. This may breathe new life into a once discarded idea.

An important aspect is preparing the communities involved for the evolution. Market the ideas of cost recovery through a fee based system. For example, demonstrate to the public through town hall type meetings what the benefits may be by implementing such systems of cost recovery. Prepare to define and explain the proposal through a systematic educational process. Utilize a steering committee consisting of a cross section of the communities to be affected. Deal directly with the concerns of the steering committee. If the committee has a problem resolving a concern, so will those affected. Use members of the committee to carry the mission and vision to the masses. This public education campaign will help to relieve the fears created by being uniformed and sometimes the more dangerous misinformed. Utilize the media as needed to expose and explain the process of changing to the fee based system.

Establish trust by being open to criticism and a willingness to adjust, delay or advance any aspect of the implementation. Don't be afraid to do additional research if

an unexpected event or snaildarter pops up. Keeping the plans fluid and flexible allows for the changes to settle evenly.

Build in checkpoints in the process. An evaluation of the strategy and the outcomes of the changes will be implemented. This can be a written survey of the stakeholders and members of the public. This evaluation process should create an objective evaluation, without ignoring an internal evaluation. Keep in mind that the passion of the originators of the concept has significant value. However this value will only be realized when measured against an objective review. Without this balance, the process may narrow and appear as directives and inflexible.

In the next chapter ways in which these strategies can be advanced will be discussed and how they blend into the transitional management plan. By having established a strategic plan to establish a wide range of changes geared toward establishing a fee-based system of funding police services, the organization will have a document that describes how to progress in the future. It can be considered a map to the future.

CHAPTER IV

TRANSITION MANAGEMENT

Introduction

How do we get there from here? That is the question that will be addressed in the following pages. Transitioning to a fee-based system for police services will need to be as seamless as possible. Minimizing the impact to the public and the organization should be a high priority. Being able to transform an idea or vision into action steps is the goal of a transition management plan.

Vision

As a first step in a military campaign, the leader gathers the troops. This is also true when creating a transition management plan. Bring together the key players and stakeholders. Those individuals and groups that were identified in the previous chapter who actually have the greatest levels of influence over the success of the conversion to a fee based system. Those are:

- ◆ The local governments' elected officials.
- ◆ The department head of the organization implementing the system.
- ◆ The change agents. Those that see the vision with clarity, and who by the role in an organization make change. These people may be mid level managers and first line supervisors.

Although there are not representatives from every stakeholder group, it will be this group that will initially set the time line. A vision horizon should project a minimum of five years but, preferably longer. As part of the long-term vision a shorter,

two-year window of time with specific plans and missions can be established.

Although similar to a steering committee, this group is more vision oriented than task oriented.

Steering Committee

The steering committee is best suited for establishing the short-term window's functions. They shall focus on what can be accomplished during that window of time and how it fits into the long-term vision.

This steering committee will be comprised of the stakeholders, but a much wider cross-section than the core vision group. This group is charged with evaluating the current environment and determining what the parameters and design variables will be. They also will determine what is to be considered essential and non-essential police services. What are the basic needs of all taxpayers? These stakeholders may utilize examples from outside the industry. For example, consider the simple car wash business. When someone goes to a car wash, they can have their car washed. However, if they pay for more, they can get wheel treatments, air freshener, polishes or waxes. Another example, although much more complicated than the previous example is that of the health-care industry. Should essential police service be the HMO-like or basic services and you can pay more for the PPO, where a user personally selects upgrades, or more for ultimate care packages? What each health plan has in common is emergency medical treatment and disease control. Whether you get a bed in a multi-patient room or private room depends on the plan.

The steering committee will need to evaluate just what comes with the basic plan. That must include emergency responses, apprehension of criminals for crimes committed against the covered party, maintenance of order in the community as a whole. What the next level or optional coverage is going to be will be up to this committee.

Communicate the Plan

Once the levels are established, the next step becomes the marketing and education of the proposals. The ability to garner the political and public support to implement the plan will rest on this educational program. Utilize common acceptable comparisons as simple as those above to demonstrate the feasibility and/or necessity of the proposals. Institute a pilot project using the proposed system and demonstrate its successes and failures. Realize that the public routinely accepts even our flawed system of justice, as long as they believe it's just and fair.

Culture

Recognize the culture of today. What are the value systems supporting that structure? What will the culture support in the future? As with our health industry example we can ask ourselves, is it any surprise that health care is a major political issue as the bulk of the population, known as the baby boomers, are reaching retirement age and are in need of a sound system? Maybe the concern over the stability of social security is more personally motivated than fiscally motivated. This ongoing

educational and awareness campaign should be able to make it through a cultural analysis of today and move into creating a positive outcome for future generations.

Advancement

Implement the easy ones first. As an example, if the department doesn't have some of the existing fees that are being used, start with those. This would include alarm fees, vehicle release fees, report copy fees. Generate public response through the use of surveys. Determine how they have reacted to the first steps. Determine if they are ready for more.

Evaluation Process

Just as the transition should be a work in progress, the evaluation mechanism must also. Momentum has significant value to attaining the vision. The evaluation methods used need to move with the proposals, not interrupt them. By establishing immediate feedback elements as part of the installation of any new fee or cost recovery method. The individual evaluations will be a part of the overall evaluation at predetermined points in the transitional plan. To maintain momentum, the evaluation element can't become the stopping point but a turning point in the process.

Having set the vision, mission and value into a transition management plan that on its face appears to lead to success does not guarantee that success. It does allow the ability to see if things are on track or off. Who monitors the process and momentum, through observations and reflection, are the leaders of the transition. The next chapter

will discuss the leadership implications. Taking the law enforcement industry from a tax-based system to a fee-based system of policing will be a challenge for leaders of many different social groups. The ideal result should actually be based on a combination of the two systems, taxes and fees. By limiting the number of volatile sources of funds for policing helps to maintain steady/stable funding for patrol and other department operations.

CHAPTER V

IMPLICATIONS AND CONCLUSIONS

Leadership Implications

Whether it's the police officer in the field explaining the fee based system to the citizen or the insurance company executive offering a police insurance policy that covers non-essential police services, the impact of a fee based system will be felt.

Whether it be tiered services beyond the emergency response and crime suppression responsibility of a police department, or the sale of a business opportunity providing police services, the future holds many options for fee based service. Should the insurance industry, which relies heavily on police investigations, be asked to pay for the costs of those investigations? That fee of course would be charged to the policyholder in the form of higher premium amounts.

The technological advances, such as those mentioned in a previous chapter that provide low cost video monitoring, may provide a home or business owner the ability to check the status or condition of their home and business by logging into a web site. The police department could be the provider of that web site. With the continued development of systems that allow for wireless transmission of internet data, many police departments will be transitioning from traditional radio modems to a wireless based system. This will provide the city and/or department with the ability to provide local internet access to its residents. The potential to charge a fee, like that of traditional phone and cable based internet providers, would be a source of revenue.

Legislative action must be taken to allow for local governments to profit under a venture such as just mentioned. This action could change the laws to allow for profits that must eventually be spent for and/or restricted to public use/public benefit, rather than merely cost recovery.

Understanding what far-reaching effects a fee-based system of law enforcement may bring is a significant factor for leaders. Not only the law enforcement leaders, but also the community's elected leaders and the business industry leaders related to the fee system should come to understand the fee system. In addition to these traditional organizational leaders, the informal leaders such as those in labor groups, community and service groups should be involved. The way in which these leaders interact and communicate will be crucial.

This type of shift will require teamwork and collaboration. Each group's leader will need to create an environment so that each element of the plan can come together. The creation of fees must be fair and equitable. The competition for services must take into account the local government's concerns as well as the profit capacity of the private services that may compete.

It will be important to safeguard the public from being overburdened by fees or deprived of service because of the inability to unwillingness to pay. The leaders must be seen as protectors of the public interest, not just a means to generate income. If the system is successful, the revenue should be there to support and compensate for those that failed to pay for the service.

This process of creating fee for service policy is not to be seen solely as a way to raise revenue but a way to enhance police services. Limiting the officer's responses to what is determined to be a non-essential police service or by utilizing outsourcing or private contractors to provide the non-essential services, the officers can focus on crime prevention and crime reduction activities. This may also one of the measurements of success.

Budgetary Implications

A significant challenge to this process will be in how the fees are collected. What mechanisms are in place now or need to be in place to allow for the easy collection of the fees. Remember, the collection process does not need to be started from scratch; utilize the business industry's examples as tools to create the collection methods.

It is not anticipated that this process will have any significant impact on the budgets in the implementation phase. It will require managers and leaders of outside organizations to commit time to building the program. This will take them away from other projects and require a change in organization and individual priorities.

Once the mechanism for collection is in place, the personnel assigned to make the collection efforts would be part of the calculations for the cost recovery. That is one of the benefits of the system. Local governments are entitled to recover what the actual costs of the service provided as well as the collection methods established.

Lastly, in relation to budgetary concerns, the budgets of all organizations involved should see increases or the ability to redirect resources from what was a non-essential service to the costs of providing essential services.

Recommendations

Approach this issue with a critical eye. Expect resistance to change, hopefully, by following the plans described and by completing this process we have anticipated where and what the resistance will be.

Acknowledge the vision and respect the time horizon and more importantly consider the timing of implementation. It would not be wise to wait until there is a need for the funds as the time to implement the fees. The fees should be gradually introduced prior to an economic crisis. Start discussing publicly the potential benefits of the program in terms of its future. Begin the process by setting the stage so to speak.

By planting seeds of information and education, it is hoped that it will create an environment where the public will begin to inquire about the potential future. A key to acceptance is an understanding. By creating level of understanding prior to the implementation may provide for an easier transition.

Monitor and respect the political and economic environments. Understand the pressures the local government officials are faced with. Listen to the community, what are they asking for. Find ways to merge their desires with aspects of the plan.

Conclusion

The outcome of this process may find that a combination of approaches to cost recovery, fee-based services, privatizations and consolidations along with traditional taxation will create an entirely different budget picture. In essence, law enforcement organizations need to diversify their portfolios. We can look at the example of financial

advisers who recommend when investing in the stock market, you should balance your portfolio between volatile high yield stocks with moderate growth funds. Local governments should be intent on creating stable revenue generating mechanisms that will be the best hedge against negative economic swings.

By utilizing multiple sources for revenue generation we can hopefully avoid the serious mistakes in the past of over reliance on a particular revenue source. As was the case in Cathedral City, the passage of Proposition 218 caused the department to be confronted with a 33 percent budget shortfall. Very few organizations will be able to survive such cuts unscathed. Having alternative funding sources in place would have eased the pain of such a drastic loss of revenue.

The question discussed during this future study was to determine if a fee-based system would have an impact on the future of patrol operations. It is certain, based on this study, that over the next five years many agencies will be implementing fee-related services as a way to maintain and improve police service levels. As mentioned above, a multi-pronged approach using a combination of fee for service, contract service and outsourcing may prove to be the best method for supporting the operations of the department financially. Having the mechanisms, public and political support in place in advance is the most important step to take at this time.

Appendix A

The Nominal Group Technique Panel

Host- Lt. Greg Savelli

Assistant Host- Chief Mike Donovan

Members-

Chief Stan Henry, Cathedral City Police Department

Commander Gary Jeandron, Palm Springs Police Department

George Stettler, Owner, State Farm Insurance, Cathedral City & Mayor of Cathedral City

Steve Quintinilla, City Attorney, Green, deBortnowsky & Quintanilla, City Attorneys for Cathedral City, Desert Hot Springs & Coachella

Daphne Rey, Owner of Alliance Security Service, Cathedral City Resident

Michelle Ciron, Event Coordinator/Director of Parks and Recreation, City of Palm Springs

Appendix B

List of Trends

1. Privatizing of Police
2. Charging for non-emergency police services
3. Billing defendants for jail booking process
4. Fees for traffic citations
5. Fees for special event staffing
6. Fees for consultations and planning prior to event
7. Community Service districts/Utility taxes
8. Charging for hazardous waste materials/clean-ups
9. Charging for false alarms
10. Alarm Calls
11. Charging for traffic collision responses
12. Self-induced calls
13. Handling “party” calls
14. Problems created (such as parties)
15. Charging for police reports
16. Follow-up calls
17. Charging for investigations
18. Missing person investigations
19. Extra time or extra officers
20. Front end booking fees
21. Civil Issues
22. Restraining orders
23. Kick-out orders
24. Court orders
25. Providing traditional private security services
26. Security for events and facilities
27. Animal Control calls
28. False alarm fees
29. Permit fees
30. Scale of commercial fees versus residential fees
31. Fees for false fire alarm system
32. Alarm School (Education) like traffic school
33. Medical responses
34. Use of technology to transmit reports (e-mail)
35. Billing for nuisances
36. Civilianization of services
37. Cover the cost to keep the streets safe
38. Surveillance cameras
39. Fees from merchant’s association

40. Up-front fee for insurance against future service needs
41. Charging for code enforcement
42. Reduction in calls for service based on cost
43. Contracting out services for special events
44. Asking City Councils for increased budget to fund public events
45. Mutual aid assistance charge
46. Charging for dispatch service to other agencies
47. Budget transfers by police users
48. DARE costs covered by student's parents
49. Victim-based fee recovery
50. Fines to cover costs and be punitive which are returned to department
51. Imposing developer fees through planning process to fund law enforcement
52. Allowing police department to have civil remedy to recover actual costs + punitive fees
53. Charging additional use fees for high risk/volume users
54. Regulatory Inspection Fees

Appendix C

List of Events

1. Medium size city privatizes police department
2. County jails charge defendants \$200. 00 as facility use fee
3. PD starts alarm business
4. PD charges public for internet reporting service
5. PD charges local media for public information officer
6. \$10 traffic stop administration fee charged
7. Catastrophic event requiring mutual aid on boarder between cities
8. City contracts with Casino for police services
9. Overnight casino growth
10. Mardi gras/spring break event
11. Loss of Community Service District/Utility tax
12. Major event on private property occurs
13. Consolidation of cities
14. Change in legislation to make cities profit-oriented
15. Outside contract for private services
16. Recession in economy
17. Technology eliminates services and provides real-time monitoring
18. Energy crisis
19. Privatization of a municipal government
20. Reduction of municipal government to regional government districts
21. Terrorist act
22. City provides manpower for private events for a fee
23. City sub contracts utility contracts
24. City charges merchant revenue tax for services rendered
25. City contracts services for security and fire alarm monitoring
26. City contracts with neighboring cities for police services
27. State imposes Prop 13 like tax cap
28. Major casino opens
29. Stock market plummets
30. Uprising over fees charged by police department
31. Police service fee required prior to police response
32. Passage of CSD under current post proposition 218 guidelines
33. State/County returns to City all property taxes
34. Permitting redevelopment tax revenues to be used for police services
35. Repeal of Proposition 218 to previous standards
36. Mandatory state funding of enforcement activity for state laws
37. State planning laws change to require public safety impact report (similar to environmental impact reports)

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