
NEBA News

NORTH EAST BERKELEY ASSOCIATION

Spring 2013

★★★★★ **BERKELEY FINANCES AND SECURITY EDITION** ★★★★★

GENERAL MEMBERSHIP MEETING JUNE 1
SATURDAY, JUNE 1, 2013 (Please note *new day and time!!!*)
1:00 PM—NORTHBRAE COMMUNITY CHURCH

HOME SECURITY SYSTEMS

1:00-1:30 Meet and Mingle

1:30-3:00 **The ABC's of Home Security Systems: Costs, Features, Gizmos, Gadgets**

- Representatives from Major Home Security Providers
- Options in DIY (do-it-yourself) by Steve Robey—Director of Information Technology and Facilities, Kineto Wireless

3:00-4:00 **City of Berkeley Policies Affecting Police Response to Home Alarms**

AT NORTHBRAE COMMUNITY CHURCH, HAVER HALL, 941 *The Alameda* (at Los Angeles)
Admission is free as always!

PLEASE CONSIDER A TAX-DEDUCTIBLE CONTRIBUTION TO NEBA

Neighborhood associations like NEBA are a vital part of urban life. We help create the social fabric that is our city. As one of the largest, oldest, and most influential neighborhood associations in Berkeley, NEBA has a unique voice in articulating the concerns of residents in Districts 5 and 6. Indeed, NEBA is recognized as an outspoken advocate with respect to safety and budgetary issues but many other issues as well.

Many of you have been NEBA members for decades, and we can't thank you enough for your commitment. Recently a neighbor of mine (a spry old gentleman) reminded me of this loyalty when he kindly deposited on my doorstep a few dozen NEBA News dating as far back as the mid-1980's. Thank you Paul!

And some of you have just joined NEBA recently. We may not know you all by name yet, but we thank you for your support, and we're pleased that you've joined NEBA.

As most of you know, the NEBA Board is made up entirely of volunteers. We feel passionately about communicating with you, our valuable members, about what is happening in the city – be it local politics or neighborhood events. There is no other forum like the *NEBA News* that represents our combined districts and offers in-depth analyses of local issues.

But our funds are precariously low, and we desperately need your help to survive. We operate on a shoestring budget. Therefore, in addition to your membership, would you consider a one-time gift of 50, 75, or 100 dollars?

We understand times are still tight if you cannot spare any more than your basic membership, but any small contribution would be greatly appreciated!



Douglas Iris, Tilden Park, March 2013, S. Robey

PRESIDENT'S MESSAGE—STATE OF THE CITY

By Isabelle Gaston, PhD

As the election of 2012 recedes into the distance, and the same old crop of local politicians sings their tired songs of fiscal self-praise, it is clear that the financial health of Berkeley is in greater long term jeopardy than ever. Structural deficits of million dollars or more loom on the horizon for years to come and annual targeted reductions of at least 2% in most city departments are becoming the new normal. Not surprisingly, a plethora of new tax and bond measures are already being floated for the 2014 ballot and subsequent years.

The outcome of the election was curious. Although all the incumbents won handily, many of the measures they endorsed such as the West Berkeley rezoning (Measure T) and Sit/Lie ordinance (Measure S) did not. Measure V, the citizen-generated Fiscal Accountability Initiative, while not passing, garnered a respectable 38.6% of the vote.

One question raised was whether Berkeleyans are wondering whether their money is being used prudently since not all the bond measures passed (as they so often have in the past). Indeed, the pools bond and associated tax (Measure N and O, respectively) both lost. However, the 30 million dollar Measure M bond did pass, affirming that street repair is a top priority for voters.

While many may have thought that by voting for Measure M all our roads would be paved anew and that the sweet sounds of "rain gardens, swales, and bioretention cells" would solve our flooding woes, the fact of the matter is that Measure M will make – at best – a small dent in improving our streets much less our watershed. Current estimates are that it would cost 65 million dollars to upgrade just our streets to an "average" rating. Thus, Measure M is woefully inadequate for improving our roads and watershed needs.

Residents of Districts 5 and 6 are encouraged to monitor Measure M implementation, along with NEBA, to ensure that our tax dollars are used to repave our decrepit roads, and if not, to communicate our concerns to the Mayor and Council, and especially Councilmembers Wengraf and Capitelli.

In a 2011 report by the City's Auditor, 62% of Berkeley streets were labeled as being "substandard" or in "failed" condition (as determined by a "Pavement

Condition Index" or PCI). Our streets rank in the bottom quartile in the Bay Area (the PCI of a typical Berkeley street is 58). As many of us are aware, the streets deterioration did not happen overnight nor did it magically happen since the financial meltdown. It reflects many, many years of gross city mismanagement and conscious ignoring of basic infrastructure needs even when the city was awash in revenue from transfer taxes, constantly increasing property values, and federal and state fund infusions.

The way Measure M was marketed to the voters was that it would "save money in the future" and "reduce our unfunded liabilities". This is dubious given that the vast majority of the 62% of streets in need of repair will not receive any attention whatsoever and therefore will deteriorate further, thereby ultimately costing even more to fix. (Note: the 62% figure was based on a 2011 report, the number of failed streets is undoubtedly higher in mid-2013, and, reconstruction of a failed street costs 32 times as much as timely maintenance per the City Auditor's report.) Moreover, when bonds are passed in our city, money that had been previously appropriated to that specific need from the general fund has a mysterious tendency to migrate into the "black hole" of pension obligations, an interesting confession made by Councilmember Wozniak of District 8 in mid-March of this year. It is also interesting that despite an 88 million dollar annual budget, the public works department is projected to spend a mere 3.6 million dollars in street rehabilitation in FY2014 (exclusive of Measure M) or less than 5% of the overall department budget.

Other departments in the city are also in dire financial shape. In a recent presentation by the head of the parks and recreation department, a request was made for an increase in the parks tax rate to offset its mounting structural deficit. The projected deficit over the next 5 years in this department alone is a blistering 33 million dollars. A bond measure in lieu of a hike in the parks tax was proposed by one councilmember, presumably as a politically more palatable option.

But where do our property taxes and endless fees go, and how are they spent if not on parks and roads, pools for our youth and elderly, and services for our homeless? Why are inflation-indexed tax measures repeatedly falling short of presumably inflation-affected costs? Why are new taxes and bonds on the ballot every other year? Ask our city council members and city

manager. They know where the money is going – but don't expect a straight answer. Most on the council have overseen the trajectory of the city finances over the last 8 years or more and are directly responsible for the gutting of city services, and the closing of senior centers and city pools.

So then what is the main reason behind the structural deficits and need to impose across the board spending cuts? Capital improvement projects? No, these are almost nonexistent. It is personnel. Our City employee salaries are the eighth highest in the state, but these salaries are dwarfed by their package of benefits. In 2005, before the economic collapse, labor costs already made up 77% of the operating budget. Although the percentage this year is presumably still 77%, this is questionable given that the city's own budget documents state that "pension and health care costs are primary contributors to the deficit in 2012 and 2013" of 3 and 4 million dollars, respectively.

With regard to pensions, the city pays not only 100% of the "employer" share but 100% of the "employee" share of the retirement costs of civilian employees. For example, the previous City Manager who retired with a \$242,000 annual payout for life (with annual COLA) plus a \$150,000 cash payout never contributed anything to his pension. Granted, most employees don't make as much as our City Manager but nevertheless many will retire with well over \$100,000 pensions because of unused sick time that is calculated into their pensions. In addition, city employees are eligible to retire at 55

with a full pension (whereas an average American worker now retires at 67). Given all the City's seemingly endless fiscal problems, a reasonable question is whether city residents should continue to pay for city employees to retire at this relatively early age with 90% of their final salary (after 30 years of service) with lifetime medical benefits (after 20 years) without ever having had to contribute – anything – to their retirement during their tenure working for the city. (This year the formula changed somewhat for new hires but this won't help the budget for decades to come.) Furthermore, health care premiums have increased dramatically in recent years, on average, 11% per year since 2000. And, most of us will live far longer than the actuarial tables suggested in 1950. Many of those who take retirement at 50 (safety workers) or 55 (civilian) in the city will certainly be young and healthy enough to start new careers and will be collecting a pension for potentially more years than they actually worked (average life expectancy for Californians is 80).

Isn't it appropriate that city employees be asked to contribute, something, to the premiums of their family's health care and to their own retirement so that basic city services aren't cut every year? The sorry state of our streets and the downhill spiral of our once beautiful parks and gardens are stark reminders of what's happening on a larger scale in Berkeley. Sadly, our council members think the status quo is fine, or when asked about it, blithely respond, "It is a complex matter". In the meantime, expect more bond measures.

BERKELEY NEEDS A FISCAL ACTION PLAN

By Barbara Gilbert

A city that has a Climate Action Plan, a Zero Achievement Gap plan, and even a foreign policy of sorts should certainly have a comprehensive long-term plan to manage its financial future--a Fiscal Action Plan (FAP).

The goal of a FAP would be to create a financially sustainable and workable city over the long haul, say about thirty years, by incrementally taking appropriate and measurable steps over the specified time frame toward a defined set of goals. A financially sustainable and workable city would have no annual budget deficits; unfunded liabilities would be satisfied or paid down in a timely fashion and in such manner and degree as experts advise is prudent; reasonable infrastructure and service needs would be satisfied; and financial responsibility for success would be equitably

shared among all stakeholders – City employees, taxpaying property owners, renters, students, educational institutions, bond holders, and commercial enterprises.

What would a Berkeley FAP look like and how could it be achieved?

The first order of business would be the implementation of clear, accurate and reasonable budgeting and accounting guidelines and practices to provide the knowledge base for prudent short, intermediate and long-term financial decisions.

Secondly, this financial knowledge would and must be fully, clearly and regularly communicated to all stakeholders.

Thirdly, based on knowledge, expertise, and priorities, a comprehensive FAP should be put in place.

Fourthly, in conjunction with the FAP development, buy-in by the various stakeholders would be required as would a ratifying ballot measure or charter amendment.

Knowledge Base

The City needs to know its probable financial needs and resources over a term of about thirty years. This involves projections of needs and revenues which are inherently speculative as the time frame lengthens. Nevertheless, if the FAP is properly constructed and regularly re-calibrated to account for events, this is not insurmountable. After all, many families and government agencies (such as the Social Security Administration) do this routinely.

The knowledge base would require an accurate dynamic inventory of liabilities for all City costs as they evolve over time:

- employee costs
- capital costs
- capital maintenance costs
- municipal debt costs
- emergency reserve fund
- resident services costs
- other ancillary City costs

Once we have a better idea and agreement on the current funding status of the seven above-listed categories, then a discussion among stake-holders about what we need and what we want in the future can proceed. “What we need” and “what we want” over the next thirty years are not the same thing, and various scenarios and priority lists will be necessary to allow for options under changing circumstances.

Yes, the City has made a start on this inventory over the past year, estimating \$500M in unfunded employee costs and \$500M in unfunded capital needs, and is currently immersed in the process of refining this inventory by category. However, as pointed out to the City by Berkeley Budget SOS/Committee for FACTS (SOS), there are many holes in this inventory and many dubious assumptions about actual costs; for example, employee retirement costs are based on a very questionable 7.5% average return on the California Public Employees’ Retirement System (CalPERS) investments; a lower return or substantial

increase in employee contribution would greatly alter the calculations. Therefore, as a first order of business, the City would need to correct, fill in and refine this inventory of “liabilities”, so that all of the puzzle pieces can be assessed and put into a comprehensive framework.

The knowledge base would also require a clearer set of revenue projections, which are currently sparse, make questionable assumptions, and which prematurely and pre-emptively put out specific suggestion for tax and fee increases. These revenue projections must include all potential revenue sources (not just new taxes!), such as: larger fee-for-service payments by UC when the current Settlement Agreement expires in 2020; and greater financial contribution by current employees.

The knowledge base also requires a re-thinking and re-do of budget categories and format so that important information is calculated and highlighted. For example: every major budget report should indicate total employee costs, breakdown of employee costs, and employee costs as percentage of the subject operation; every major budget should indicate amount and percentage of funds allocated for capital improvements and for capital maintenance; every major budget report should indicate the paydown status of overall and particular unfunded liabilities. As the City goes forward with a FAP, these categories, and others, will be essential for allocating funds and measuring progress toward financial sustainability.

Communication And Community Buy-In

The improved knowledge base must be shared with all stakeholders. Recent reports from the City Manager on City liabilities, while containing valuable information, were not provided in a format that was readily-understandable to Council and the public. As the FAP is developed, and with expert assistance, a clear, comprehensible user-friendly format will be shaped. As the FAP process develops, the City needs to fully engage with experts, civic groups, employees, and other interested parties so that a lucid, sound and acceptable plan emerges.

Obviously, a financially sustainable and workable City will involve pain as well as gain. The sacrifices that will be necessary must be equitably shared among all City stakeholders. And it will be a proud day when we can say in Berkeley that we have seen our future and it works!

FALSE ALARMS PLAGUE BERKELEY POLICE

Or How to Add More Police Officers Without Additional Cost

By Pat Mapps and James Barter

It's a late Friday night as the Berkeley police officer patrolling Beat 12 on the swing-shift rolls south on Russell looking for activity at Grove Park after closing time. While slowly sweeping the baseball field with his floodlight, his radio crackles a code 21A on the 2600 block of Sacramento; a silent burglar alarm - burglary in progress. The officer slams on the accelerator lifting the hood of the car sending out an unmistakable snarl of a high RPM authority that freezes cars in its path while he asks the dispatcher for the closest intersection. Heading north on Sacramento he searches for the address until approaching Parker where he pulls up a half block short and waits for backup. As soon as his partner arrives, the two men pull out their flashlights and approach the house, which is oddly ablaze in lights. "Berkeley Police!" they shout as they whack the door with their two-foot long flashlights. No one answers so they circle the house stumbling over bicycles and garbage cans until they see a figure in the back where they order him to stop and show his hands. The man complies, identifying himself as a worker for a janitorial service and opens the door. After inspecting his ID, the officers order him to sit on the floor while they sweep the premise where they find a second janitor. The cleaning crew had no idea that they had triggered the silent alarm; they didn't even know there was one. The two offices radio back to the dispatcher that it was a false alarm, thank the two workers for their cooperation, and get back into their squad cars to return to their patrols. This scenario will play out several more times before their twelve-hour shift is over and from the standpoint of many Berkeley police officers, these false alarm incidents happen to be not only their most common ones but also their most frustrating and unproductive. As one cop put it, "I'd rather be getting guns off the streets and busting drug dealers than do this. It's part of the job so of course I have to do it."

Like most Berkeley residents, the authors were unaware of the disturbing rate at which Berkeley police officers are sent to homes and businesses when security systems accidentally go off until they uncovered this information during the preparation of the "Report On Crime In Beat Two" that was presented to the City Council earlier this year. Members of Berkeley Police Department (BPD) Command Staff report that more than six thousand dispatches are made annually to homes and business when sensors are tripped sending signals to alarm

monitoring company dispatchers who in turn dial 911 reporting an intrusion to the police. Dispatchers at the BPD then convey the address to police officers who speed to the location prepared to confront and arrest intruders in the commission of a crime. This is all well and good, and the systems function as advertised by alarm companies except for one fatal flaw; the vast majority of the alerts, a percentage as high as 98% according to the U.S. Department of Justice, are false alarms. In Berkeley, this means that each month, of the approximately 500 reports of burglaries detected by security alarms to which officers respond, evidence of forced entry is detected for as few as 10 of those 500 reports.

Why so many false alarms? Alarm companies cite an assortment of reasons why sensors are accidentally triggered, ranging from the understandable, to the absurd, and even sometimes amusing. Windy days top the list followed by small pets moving about the house, children and visitors who do not know how to operate the system, transient wireless interference, faulty installations, cleaning crews, balloons, wires gnawed by rodents, lizards sleeping on the warm sensors, and even teenagers hoping to sneak home after curfew without awakening their unsympathetic parents.

Yet, how can this be the case? How can alarm companies remain solvent with this performance? The answer is remarkably simple; they maximize their profits by having Berkeley police do the real work of investigating these alarms ...at taxpayers' expense. The average alarm company charges residential clients about \$350 a year for monitoring services and in Berkeley that is all they do - monitor the alarm systems until one is triggered and then call the police. In our city, alarm companies do not dispatch employees to investigate possible intrusions; this time consuming, dangerous and costly task is left to the BPD and is paid for by your tax dollars - alarm companies do not reimburse BPD police for this service, unlike Seattle, WA. And worst of all, even residents who do not own security systems, and are therefore not using their services, are subsidizing the alarm companies as well!

What is the cost to the citizens of Berkeley? There are many ways to assess the costs. It can be done in terms of the time that false alarms distract officers from their

patrols, the actual financial impact, and also the intangible cost of officers *reacting to* rather than *preventing* crime. In terms of time, it is important to note that it is the general policy of the BPD to send at least two patrol cars to the scene of a reported alarm because of the heightened probability for violence if a crime is in progress. The actual time it takes to investigate a falsely reported intrusion is an average of thirty minutes for each officer. This wasted police time equates to more than three full time officers since each officer annually patrols for roughly 1770 hours. The financial cost for three officers is about \$500,000 (salary and benefits). That figure does not include the \$150,000 academy fee plus salary and out-of-town expenses it costs to hire and train three new officers. Yet, the greatest cost to the Berkeley citizenry just may be the crimes that beat officers are unable to *prevent* because they are busy answering false alarms. This non-quantifiable cost is far more disquieting than the other two when it means people are being victimized when even the mere presence of a patrol car in the right place at the right time can prevent crime.

fall outside the scope of VR. Cities that have implemented VR have reported dramatic decreases in alarms calls and false alarms to their dispatch centers and significant savings in time and cost to their citizens. They have not noticed unexpected increases in crime.

The intent of VR is to increase police productivity by reducing calls to Dispatch and by reducing beat officer time spent responding to false intrusion alarms. Of course, this goal is valid only if it can be achieved without reducing service. A Verified Response Program (VRP), therefore, must meet three criteria. First, holdup, panic, duress, medical, carbon monoxide, and fire alarms must be exempted from the policy. Second, the potential productivity gain must justify any cost of implementing the VRP. Third, the protocol must properly distinguish between true and false intrusion alarms so that the police can respond appropriately in all cases.

It is time to release our Berkeley police officers from their fruitless investigations of false alarms and put them back on their patrols to prevent and investigate real crimes. VR is a solution long overdue that will improve police security throughout Berkeley by effectively increasing staffing by possibly more than three officers without an increase to our current tax burden.

Want to learn more? Check out our web site, <http://northeastberkeleyassociation.org/> to read the "Report On Crime In Beat Two" and to see a report by The Urban Institute on three Police Departments that have taken three very different approaches to implementing Verified Response.

Pat Mapps and James Barter joined with Shirley Dean, Dr. Alan Cohen, and Bob Flasher to author the "Report on Crime in Beat 2." Ms. Mapps' in-depth study of the cost of false alarms resulted from Chief Meehan's request for suggestions about how BPD could stop wasting resources answering them. Mr. Barter's views on false alarms stem primarily from his experience "riding along" on a BPD Officer's 6PM to 6AM shift during which they answered three false alarm calls. When Mapps and Barter are not carrying out their civic duties, they can be found on sunny days on Codornices Park's tennis courts.

**"In the United States in 2002, police responded to approximately 36 million alarm activations, at an estimated annual cost of \$1.8 billion." -and -
"The vast majority of alarm calls—between 94 and 98 percent (higher in some jurisdictions)—are false." ...from this DOJ publication:
<http://www.cops.usdoj.gov/files/ric/Publications/e0307265.pdf>**

Is there a solution to this plague of false alarms? Fortunately there is, and it has already been successfully implemented in many cities across North America as well as in Bay Area cities including San Jose and Fremont. It is called Verified Response (VR) which the "Report On Crime In Beat Two" urges Berkeley to adopt. A VR program shifts the burden to private alarm companies to verify that an incident is a legitimate intrusion before police are notified. When a VR policy exists and an alarm is triggered, police are notified only if the alarm company can "verify" the incident through private patrols, audio, video, sophisticated electronic sensors, an eyewitness or other forms of verification. Fire, panic, robbery, medical, and duress alarms will continue to be treated as high-priority response calls that

**** Please tell us what you think about the Saturday NEBA meeting date and earlier time. ****
Is this a better time than our usual Thursday evening?

A NEIGHBORHOOD TREASURE: THE FOUNTAIN AND WALK

By Michael Gray for FOFW

Just as it was envisioned to be more than 100 years ago, the Fountain at The Circle is the pulsing heart of the city's north side – a Beaux Arts icon that, along with its surrounding balustrade and nearby Fountain Walk, recalls the city's rich architectural past.



Fountain in 1913

Designed as a centerpiece of Mason-McDuffie's Northbrae development, the original Fountain and Fountain Walk were the work of UC Berkeley architect John Galen Howard and sculptor Arthur Putnam.

Even if you pass it every day – a glimpse of its whimsical bear cubs easing the sometimes aggravating commute around it – you may not know that the fountain you see where Marin Avenue meets The Arlington is a re-creation of the city's first public work of art. Or that this public treasure is devotedly maintained by the organization that led the drive and raised the funds to reconstruct it in 1996: the Friends of the Fountain and Walk.

FOFW, led by Shattuck Avenue resident Sara Holmes, is a nonprofit organization of volunteers – virtually all of them Northeast Berkeley residents -- who now assist the city in maintaining the Fountain, The Circle and Fountain Walk, and raise funds for their continued upkeep and improvement.



Fountain today

NEBA News spring 2013

The first Saturday of every month, weather permitting, volunteers pull weeds, pick up trash, remove graffiti, trim hedges and sweep the gutters all around The Circle and along Fountain Walk. Any and all are welcome to join; the work party begins at 9 a.m.

Currently, FOFW's fund-raising focus is the replacement of nearly 80 damaged balusters around The Circle and along Fountain Walk. Our aim is to restore the balustrade to the same pristine condition as the Fountain -- a project estimated to cost more than \$62,000.

To contribute to support FOFW's efforts – widely recognized as not only historically but economically significant to the Northeast Berkeley area – please send a tax-deductible check to:

Friends of the Fountain and Walk
c/o Sara Holmes
946 Shattuck Ave.
Berkeley, CA 94707

www.FriendsOfTheFountainAndWalk.org

You can also contact FOFW at: HarvardHolmes@comcast.net.

North East Berkeley Association
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Mail to: NEBA, P.O. box 7477, Landscape Station, Berkeley, CA 94707



North East Berkeley Association (NEBA) is a nonpartisan community organization whose mission is to inform, educate, and advocate for the interests of Berkeley residents of local electoral Districts 5 and 6 (roughly coincident with the 94707 and 94708 zip codes). Civic issues of particular interest and concern include municipal fiscal responsibility, local taxes and fees, public safety, public education, and basic neighborhood services. NEBA is informed and guided in its mission by the single-family zoning and homeowner status of most of NEBA residents. NEBA does not support or oppose any political candidates or parties. However, NEBA does hold candidate and issue forums, thereby stimulating interest and discussion. On occasion, NEBA will offer analysis, opinion, and a recommended position on important local issues. To accomplish its mission, NEBA publishes a newsletter and holds community meetings, each at least twice annually. Its Board of Directors meets monthly and Board subcommittees more often as needed.

Contact your Berkeley city government with your questions and concerns. *They want to hear from you!*

City Council Roster Contact Information: <http://www.cityofberkeley.info/ContentDisplay.aspx?id=18496>

Please look for NEBA on Facebook!

City Councilmembers Laurie Capitelli and Susan Wengraf send email newsletters. To subscribe:

Email lcapitelli@ci.berkeley.ca.us with "subscribe" as the subject.

Email swengraf@ci.berkeley.ca.us requesting to subscribe to the District 6 e-mail news.