
**FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)
EXECUTIVE OFFICER'S REPORT**

AGENDA ITEM No. 10

DATE: June 9, 2010

TO: Fresno Local Agency Formation Commission

FROM: Jeff Witte, Executive Officer

SUBJECT: **Consider Adoption** – **Municipal Service Review and Sphere of Influence Update Prepared for the Twelve Public Cemetery Districts in Fresno County.**

Summary / Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to review and update, as necessary, special district Spheres of Influence (SOIs) every five years. Prior to, or in conjunction with an agency's SOI update, LAFCo is required to conduct a *Municipal Service Review (MSR)* for each agency.

Municipal Service Reviews provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not modifications to a city or district's SOI are necessary. MSRs can be used as informational tools by LAFCo and local agencies in evaluating the efficiencies of current district operations and may suggest changes in order to better serve the public.

Sphere of Influence updates may involve an affirmation of the existing SOI boundaries or recommend modifications to the SOI boundaries. LAFCo is not required to initiate changes to an SOI based on findings and recommendations of the service review, although it does have the power to do so.

State law requires that the Commission adopt written MSR determinations for each of the following six criteria:

1. Growth and population projections for the affected area.
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
3. Financial ability of agencies to provide services.
4. Status of, and opportunities for, shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by commission policy.

As part of the SOI update, the Commission is required to consider the following four criteria and make appropriate determinations in relationship to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands
2. The present and probable need for public facilities and services in the area
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency

Environmental Determination

The California Environmental Quality Act ("CEQA") requires that the Commission undertake and review an environmental analysis before granting approval of a project, as defined by CEQA. The MSR's are categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 - Regulation section 15306), which states: "Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded." Indeed, these MSR's collect data for the purpose of evaluating municipal services provided by the agencies. There are no land use changes or environmental impacts created by such studies.

Furthermore, the MSR's qualify for a general exemption from environmental review based upon CEQA Regulation section 15061(b)(3), which states: "The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." Additionally, the SOI updates qualify for the same general exemption from environmental review based upon CEQA Regulation section 15061(b)(3).

There is no possibility that these MSR's or SOI updates may have a significant effect on the environment because there is no land use changes associated with the documents. If the Commission approves and adopts the MSR's and SOI updates and determines that the projects are exempt from CEQA, staff will prepare and file a notice of exemption with the County of Fresno, as required by CEQA Regulation section 15062.

Discussion / Summary of Determinations

The Clovis Cemetery District encompasses approximately 879,000 acres (1373 square miles) and manages six cemeteries. Five of these have adequate space; however the Sentinel Cemetery is currently at capacity and is maintained without allowing new interments.

The Coalinga-Huron Cemetery District encompasses approximately 560,000 acres (875 square miles) and manages one two and a half acre cemetery. There is an additional 2 acres that can be developed as needed.

The Dunlap Cemetery District encompasses approximately 48,500 acres and manages one cemetery. At the current rate of interments, the cemetery can continue interments services for approximately 25 more years.

The Fowler Cemetery District encompasses approximately 23,000 acres and manages one cemetery. The cemetery grounds include eighteen acres that are developed and eighteen acres that are undeveloped and available for future growth.

The Kingsburg Cemetery District encompasses approximately 23,000 acres in Fresno County and manages one cemetery. The cemetery grounds include twenty acres that are developed and eighteen acres that are undeveloped and available for future growth.

The Oak Grove Cemetery District encompasses approximately 108,600 acres and manages one cemetery. The cemetery grounds include twelve acres that are developed and eight acres that are undeveloped and available for future growth.

The Parlier Cemetery District encompasses approximately 12,700 acres and manages one cemetery. The cemetery grounds include fourteen acres that are developed and the district will have to buy more land for future growth.

The Reedley Cemetery District encompasses approximately 68,600 acres in Fresno County and manages one cemetery. The cemetery grounds include thirty acres that are developed and eleven acres that are owned by the District and presently used for agriculture under a remaining four year contract with the original land owner.

The Sanger-Del Rey Cemetery District encompasses approximately 147,300 acres and manages six cemeteries of various sizes. Five have area available for future growth.

The Selma Cemetery District encompasses approximately 26,100 acres and manages one cemetery. The developed cemetery is at 90% capacity. The district is looking to buy more land for future growth.

The Squaw Valley Cemetery District encompasses approximately 47,000 acres and manages one cemetery. The cemetery grounds include four acres that are developed and the district will have to buy more land for future growth.

The Washington Colony Cemetery District encompasses approximately 89,300 acres and manages two cemeteries. The cemetery grounds include seventeen acres that are developed and nine acres that are undeveloped and available for future growth.

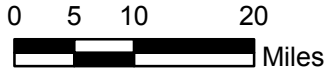
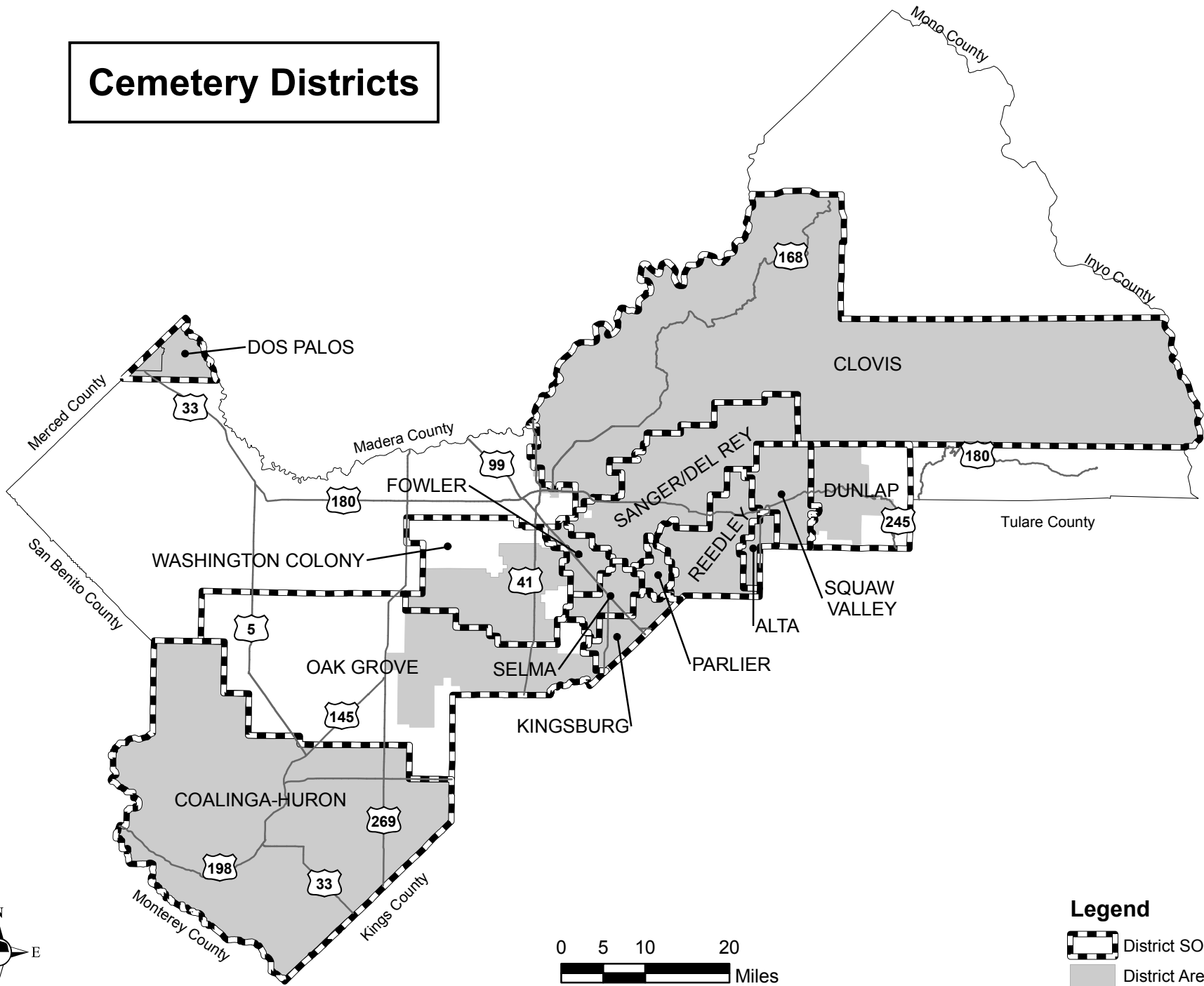
There does not appear to be a need or readily available opportunities to change the government structure. Consolidation would not appear to be practical due to the size of the existing Districts.

Recommendations:

- A. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, find that prior to adopting the written determinations, the Municipal Service Reviews and Sphere of Influence determinations under consideration are Categorical Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15306, "Information Collection" and Section 15320, "Changes in Organization of Local Agencies".

- B. Find that the Municipal Service Review and Sphere of Influence Update prepared for each of the Cemetery Districts are complete and satisfactory.
- C. Find that the written determinations within the Municipal Service Reviews and Sphere of Influence Updates satisfy State Law.
- D. Pursuant to Government Code Sections 56425 and 56430 make the required determinations for the Municipal Service Reviews and District Spheres of Influence, adopt the Municipal Service Reviews prepared for each Cemetery District, and update the Sphere of Influence for said Districts by reaffirming their current boundaries or approving the recommended changes.

Cemetery Districts



Legend

- District SOIs
- District Areas

RESOLUTION NO. MSR-10-1

**FRESNO LOCAL AGENCY FORMATION COMMISSION
FRESNO COUNTY, CALIFORNIA**

In the Matter of

LAFCo Determination

**RESOLUTION ADOPTING MUNICIPAL)
SERVICE REVIEWS AND MAKING)
DETERMINATIONS FOR THE)
SPHERES OF INFLUENCE OF THE)
CLOVIS, COALINGA-HURON,)
FOWLER, KINGSBURG, OAK GROVE)
PARLIER, REEDLEY, SANGER/DEL)
REY, SELMA, SQUAW VALLEY, AND)
WASHINGTON COLONY CEMETERY)
DISTRICTS)**

**ADOPT MUNICIPAL SERVICE REVIEWS
PREPARED FOR THE CLOVIS, COALINGA-
HURON, DUNLAP, FOWLER, KINGSBURG,
OAK GROVE, PARLIER, REEDLEY SANGER/
DEL REY, SELMA, SQUAW VALLEY AND
WASHINGTON COLONY CEMETERY
DISTRICTS**

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56425 et. Seq.) the Fresno Local Agency Formation Commission is required to review and update, as necessary, Spheres of Influence of local agencies not less than once every five years; and

WHEREAS, Government Code Section 56430 directs the Commission to conduct a review of municipal services not later than the time it considers an action to establish or update a Sphere of Influence; and

WHEREAS, notice of this Commission's hearing of said request was duly given in a publication of general circulation as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and State law, and at the time and in the form and manner provided by law; and

WHEREAS, the Commission has heard, discussed and considered all relevant evidence, including but not limited to the Executive Officer's *Municipal Service Review and Sphere of Influence Update Report*, environmental documentation, applicable land use plans and all testimony, correspondence and exhibits received during the public hearing process, all of which are included herein by reference.

NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of the County of Fresno does **HEREBY STATE, FIND, RESOLVE, DETERMINE, AND ORDER** as follows:

Section #1. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, this Commission finds that prior to adopting the written determinations for the Municipal Service Reviews and Sphere of Influence determinations under consideration, it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment and that it qualifies for the general exemption from environmental review under the California Environmental Quality Act (CEQA) under Section 15061(b)(3).

Section #2. This Commission finds the Municipal Service Reviews and Sphere of Influence Updates prepared for the Clovis, Coalinga-Huron, Dunlap, Fowler, Kingsburg, Oak Grove, Parlier, Reedley, Sanger/Del Rey, Selma, Squaw Valley, and Washington Colony Cemetery Districts are complete and satisfactory.

Section #3. This Commission finds that the written determinations within the Municipal Service Reviews and Sphere of Influence Updates satisfy State Law.

Section #4. Pursuant to Government Code Sections 56425 and 56430 this Commission hereby adopts the determinations as presented in the Municipal Service Review and Sphere of Influence Update documents.

Section #5. - The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as provided in Government Code Section 56882 and to file, as appropriate, in the office of the Fresno County Clerk all environmental documents, if any, pertaining to the approval of this Proposal, as required by State law.

* * * * *

ADOPTED THIS 9th DAY OF JUNE, 2010, BY THE FOLLOWING VOTE:

AYES: Commissioners Rodriguez, Fortune, Anderson, Perea, Lopez


NOES: None

ABSENT: None

STATE OF CALIFORNIA)
COUNTY OF FRESNO)

CERTIFICATION

I, Victor Lopez, Chairman of the Fresno Local Agency Formation Commission (LAFCo), Fresno County, State of California, hereby certify that the foregoing resolution was adopted by the Commission on the 9th day of June, 2010.



Victor Lopez, Chairman
Fresno Local Agency Formation Commission

FOWLER CEMETERY DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

**Report to the
Fresno Local Agency Formation Commission**

Jeff Witte
Candie Fleming
Samantha Hendricks
2115 Kern Street, Suite 310
Fresno, CA 93721

June 2010

FOWLER CEMETERY DISTRICT

Cemetery Operation

Contact Information

Manager: Barbara Muro
Address: 8523 S Fowler Avenue
Fowler, CA 93625
Phone: (559) 834-3464

Management Information

Governing Body: Board of Directors
Board Members: Gary R. Pitts Appointed 2001, Expires 2012
Howard Matsumura Appointed 1993, Expires 2010
Joe S. Hara Appointed 1997, Expires 2011
Board Meetings: A Day of Convenience During the Last Week of Each Month at 10:00 am.
Staffing: 3 Full Time and 1 Part Time

Service Information

Empowered Services: Cemetery Operation
Services Provided: Burial and Interment of Human Remains
Area Served: The City of Fowler, the Community of Malaga, and the Surrounding Area.
The District is situated between the Washington Colony, Selma and Del Rey Cemetery Districts.
Population Served:
Acres Served: 23,000
Infrastructure: One Cemetery

Fiscal Information

Budget: \$
Sources of Funding: Fees, Property Taxes, Funds Held in General Fund, Investments and the Endowment Fund.
Rate Structure: Fee Schedule and Endowment.

Administrative Policies

Master Plan: Yes **Policies/Procedures:** No **By-laws:** No
Boundary Updated: 1976 **SOI Updated:** 1976 **Other:** No

1. MUNICIPAL SERVICE REVIEW

Description of District

The Fowler Cemetery District was formed in 1933. It was formed and is governed under the Health and Safety Code Sections 9000-9093.

The District includes approximately 23,000 acres. It is located in central Fresno County and includes the City of Fowler and the unincorporated community of Malaga.

The District is governed by a three-member Board of Directors appointed by the Board of Supervisors. The manager administers the District with two full time employees and a part time secretary.

Its boundaries and Sphere of Influence are coterminous, as shown on the enclosed map.

District Services and Background

The District has one thirty-six acre cemetery. The cemetery grounds include eighteen acres that are developed and eighteen acres that are undeveloped and available for future growth.

Under California Health and Safety Code Sections 9000-9093, Cemetery Districts are legally authorized to provide standard cemetery functions, including land acquisition, cemetery maintenance, and grounds keeping. The districts also conduct activities attendant to interment and disinterment.

Public cemetery districts finance these services through property taxes, the sale of interment rights, charges for openings/closing of ground, outer burial containers, disinterments, and setting of markers.

The law further requires all districts to establish an endowment care fund. The purpose of the endowment care fund is to provide for future maintenance and care of the cemetery. The interest earned on the principal may be used for the general operation of the district. The endowment principle may never be spent.

The Health and Safety Code prescribes those who may be interred in district cemeteries. The deceased must have been a resident or taxpayer of the district, or former resident or taxpayer of the district who, purchased lots prior to leaving the area. Family members are eligible for interment, but are limited to spouses, parents, grandparents, children, and siblings. Payment of a non-resident fee required for qualified non-residents.

In addition, any person not otherwise eligible may be interred in a district cemetery if private facilities are not available within a radius of 15 miles of the deceased residence. Also, the County may inter in a district any indigent, if the district's trustees determine there is more space available then necessary to meet foreseeable needs of the district.

Qualified non-residents may be interred in any cemetery in the District providing the trustees have determined there is adequate space available to meet the foreseeable needs of the district and a non-resident fee is paid.

2 . MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews.

Growth and Population Projections

The current population of the City of Fowler is 2,700 and is projected to be 2,800 in 2015. The community of Malaga had a population of 1,300 in 2006.

Each Fresno County Supervisorial District has a population of approximately 198,000 Residents expected to grow to 217,000 in 2015. The Fowler Cemetery District includes a small portion of Supervisorial District 4.

Most of the District is rural; however, growth is continuing in the urban areas of the district. The cemetery has adequate space in its developed land to meet burial needs for at least the next 25 years.

Present and planned capacity

Presently, the Fowler Cemetery is at 60% capacity within the developed 18 acres. The District does not plan to develop the additional 18 acres at this time. Overall, the Fowler Cemetery is very well maintained. The roads are treated with sealant every one or two years. All developed areas of the cemetery have grass maintained by an automatic sprinkler system that requires periodic repair. Fowler Cemetery District has its own well and irrigation pump that provides an adequate water supply; a septic system serves the facilities in the office building.

Financial Ability of Agencies to Provide Services

Similar to other cemetery districts, tax revenue cuts create financial limitations for the District. The reduction in tax revenue received has made it essential for the District to increase service fees. The District regularly monitors its fee/rate schedule in comparison to other Fresno County public cemeteries and generally maintains its fees at the low to middle range of the scale.

The District has an established fee schedule and endowment. In accordance with California Health and Safety Code Section 8961.4, the fund principle may never be spent for any purpose. Under the law, the function of the endowment is to provide for continuous maintenance and care of the cemetery through the use of interest earned on the principal.

The Board of Trustees adopts an annual budget and oversees expenditures throughout the fiscal year. The District has annual audits conducted by a certified public accountant. The audits are submitted to the County Auditor, pursuant to the Health and Safety Code. In reviewing the last three years of audits, the District was shown to be in conformity with generally accepted accounting principles. According to the independent audit, the District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. As with all districts, the County of Fresno maintains the general ledger for the Fowler Cemetery District.

It should be noted that due to the inadequacy of accounting records, the independent auditor has been unable to form an opinion regarding the amounts at which cemetery sales and related accounts receivable are recorded. The District has a long-standing policy of allowing for the prepayment of burial fees that have consistently been reflected as revenue in the year the money was received. Adequate records have not been maintained for the auditor to determine what the unused pre-paid burial fees (deferred revenue) were.

Status of, and Opportunities for, Shared Facilities

The District does not need assistance from other districts. All the equipment necessary to carry out maintenance and services exist onsite. The District's onsite office is an old brick building that was built in the 1860's and is in need of repair or replacement.

Governmental Structure and Operational Efficiencies

A full-time manager is responsible for arranging burials, maintaining the site, preparing budgets, supervision of safety procedures and administering the operations of the Cemetery. The part-time secretary manages the accounting books and payroll two additional full-time employees help to maintain the grounds and assist with burials. The District has worker's compensation and liability insurance. There is no duplicated effort at the facility. The staff meets all the Cemetery's needs.

The District has completed over 80 interments this year and as the population increases in the area, this number will likely increase in future years. The Board reviews the service charges of the other cemeteries in the County and adjusts its rates as needed to ensure adequate revenues for the Cemetery. It is the District's policy to keep fees as low as possible.

Operating under the rules and regulations laid out in the Health and Safety Code, the District's daily activities are under the direction of a three-member Board of Trustees. The Trustees are appointed at the direction of the 1st and 4th District County Supervisors and serve at his/her discretion. Selection is from residents within the community served whom the Supervisor believes will best operate the facility and care for the interned

The District follows the Brown Act and posts meeting notices 72 hours in advance on the office front door. Meetings are held at 10:00 a.m. on a day of convenience during the last week of the month. The public has access to the facility during posted hours of operation.

3. SPHERE OF INFLUENCE REVIEW AND UPDATE

Government Code Section 56076 defines Sphere of Influence as “A plan for the probable physical boundaries and service area of a local agency, as determined by the commission.”

Description of Current Sphere of Influence

The District’s boundaries and Sphere of Influence are coterminous and encompass approximately 23,000 acres.

Proposed Sphere Changes

This District sphere boundary adopted in 1976 is adequate does not need updating. The cemetery site has adequate capacity at this time.

Sphere of Influence Recommendation and Determinations

It is recommended the Commission approve the following determinations and affirm the current Sphere of Influence.

1. Present and planned land uses in the area, including agriculture and open-space.

Most of the District is rural but includes the City of Fowler, the community of Malaga. The District is situated between the Washington Colony, Selma and Del Rey Cemetery Districts.

2. Present and probable need for public facilities and services in the area.

The Cemetery is currently well maintained and there is land at the site could be developed to meet future needs of the District, if necessary.

3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide.

The capacity of District facilities is sufficient for services it provides.

4. Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

Territory within the District represents a community of interest for District services.

4. ACKNOWLEDGEMENTS & REFERENCES

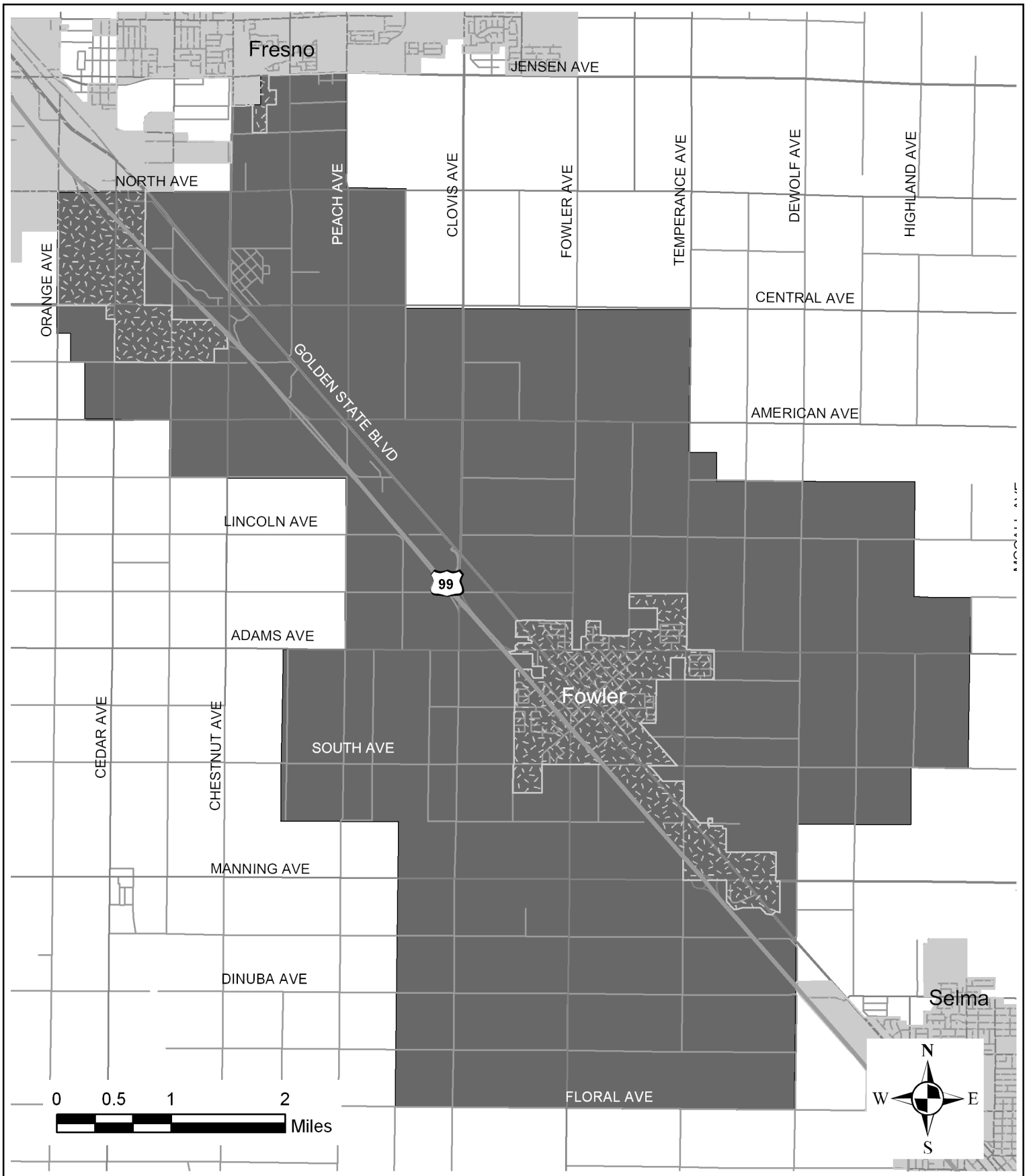
This draft Municipal Service Review was prepared by Fresno LAFCo staff. Responsibility for any errors or omissions rests with those who prepared the report.

The Fowler Cemetery District provided information on which the evaluation is based. Barbara Muro and the Fresno Council of Governments were instrumental in providing data.

5. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission:

1. Accept public testimony regarding the proposed Municipal Service Review.
2. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
3. Approve the recommended Sphere of Influence determinations and affirm the current Sphere of Influence.



Fresno Local Agency Formation Commission Fowler Cemetery District

Legend

- District Area and SOI
- City Area
- Cities Overlapping District

District Formed: 1933
 SOI Adopted: 5/19/1976
 SOI Updated: 8/24/2005

Map Date: December 2007
 District Area: 23,691 Acres
 Sphere Area: 23,691 Acres