

OAK GROVE CEMETERY DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE REVISION

Report to the
Fresno Local Agency Formation Commission

MSR 17-15 / SOI-184

David E. Fey, Executive Officer
George W. Uc, Senior Analyst
Juan Lara, Analyst II
Amanda Graham, Office Assistant
Derek Sylvester, Intern
2607 Fresno Street, Suite B
Fresno, CA 93721

September 20, 2017

OAK GROVE CEMETERY DISTRICT

Burial and interment of human remains

Contact Information

Manager: Judy Escalera, General Manager
Address: 19811 S. Cedar Avenue
Laton, CA 93242
Phone: (559) 923-4544

Management Information

District formation: 1929
Principal act: Health and Safety code section 9000 *et seq.*, Public Cemetery District Law
Special district powers: Prescribed in Health and Safety code sections 9040-9056
LAFCo
Authorized services:¹ Own, improve, and maintain cemeteries and provide interment of human remains

Governing body: Three trustees, appointed by Fresno County Supervisors, Districts 1 and 4

Board members:	Appointed	Expires
Richard D. Schultz	3/9/1993	1/3/2018
Gene W. Davis	2/8/1977	1/7/2019
Richard M. Alves	2/1/2011	1/4/2021

Board meetings: Held on the first Tuesday, of each month at 1:00 p.m. at the District office.²

Staffing: Three full-time employees

Service Information

Population served: 13,320, estimate
Acres served: 108,575 acres
District SOI: 387,616 acres
Infrastructure: One 20-acre cemetery site, building, a vehicle, machinery and equipment

Fiscal Information

Budget: \$288,111
Sources of funding: Annual property taxes, endowment, burial plots, and service fees
Rate structure: Fee schedule, plot fee, and endowment

Administrative Policies

Policies/Procedures: Yes

By-laws: None

SOI formed: 1977

SOI Revision: 2017

Other: Member of California Association of Public Cemeteries
Public Cemetery Alliance

¹ Pursuant to Government Code sec. 56425(i).

² District Secretary, personal communication, June 6, 2017.

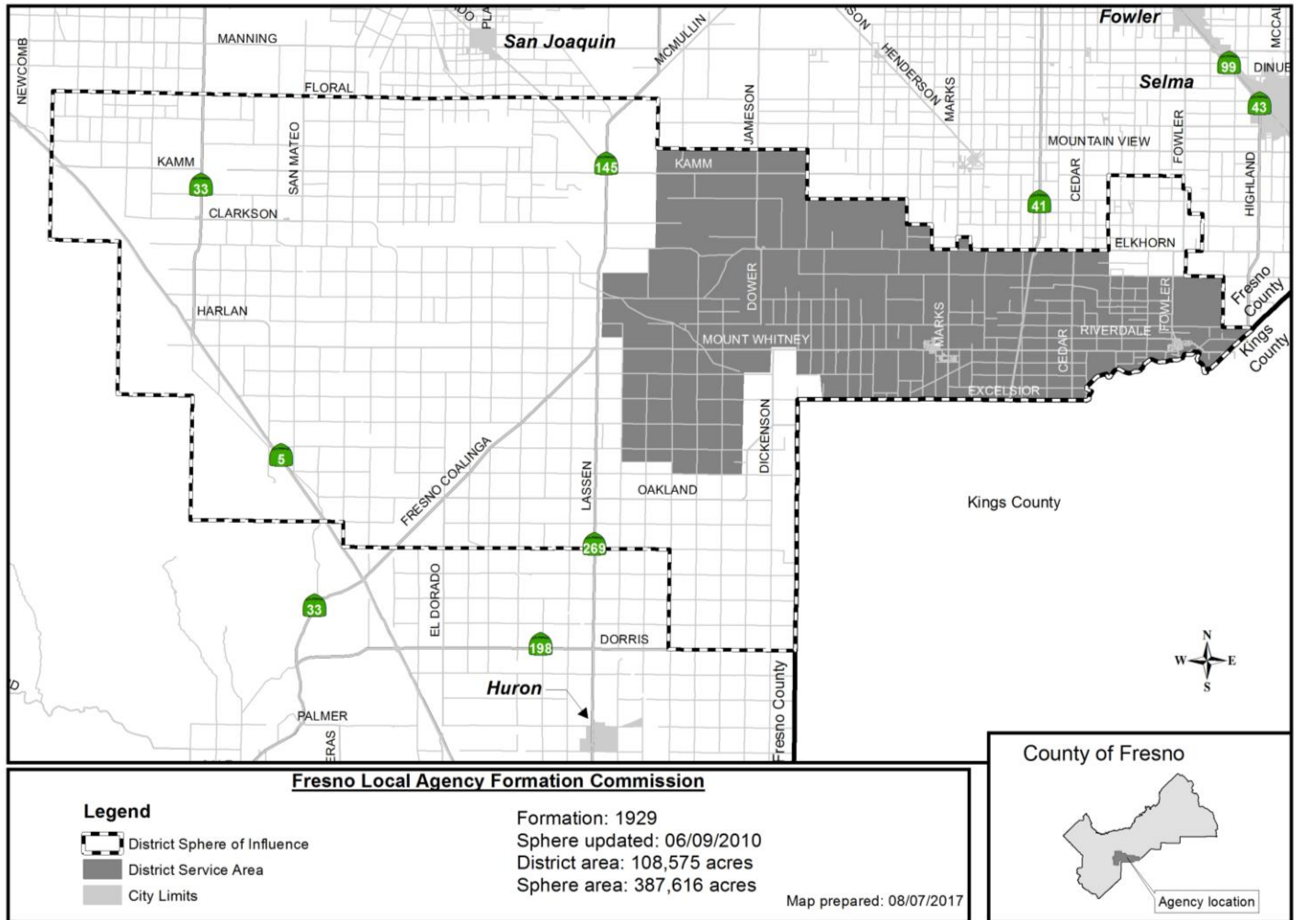
Table of Contents

1. MUNICIPAL SERVICE REVIEW	7
Principal Act.....	7
District Service Area.....	7
District Sphere of Influence, Background	8
Authorized District Services.....	8
Fresno LAFCo MSR Policy Designation.....	9
District Growth and Population Projections	9
Disadvantaged Unincorporated Communities	13
District Infrastructure	15
District Finances.....	15
Public Facilities, Opportunities for shared Facilities	18
Government Accountability.....	18
Any Other Matters Related to Effective or Efficient Service Delivery	20
2. MSR DETERMINATIONS	22
3. SPHERE OF INFLUENCE REVISION	26
4. RECOMMENDATIONS	29
5. ACKNOWLEDGEMENTS	30

Figure One – District Map

Oak Grove Cemetery District

Authorized Services: Burial & Interments of Human Remains



Document Path: G:\LAFCO WORKING FILES\GIS Layers and Maps\00-LAFCo Maps\Special Districts\Cemetery\Oak Grove

Figure Two – District DUC Map

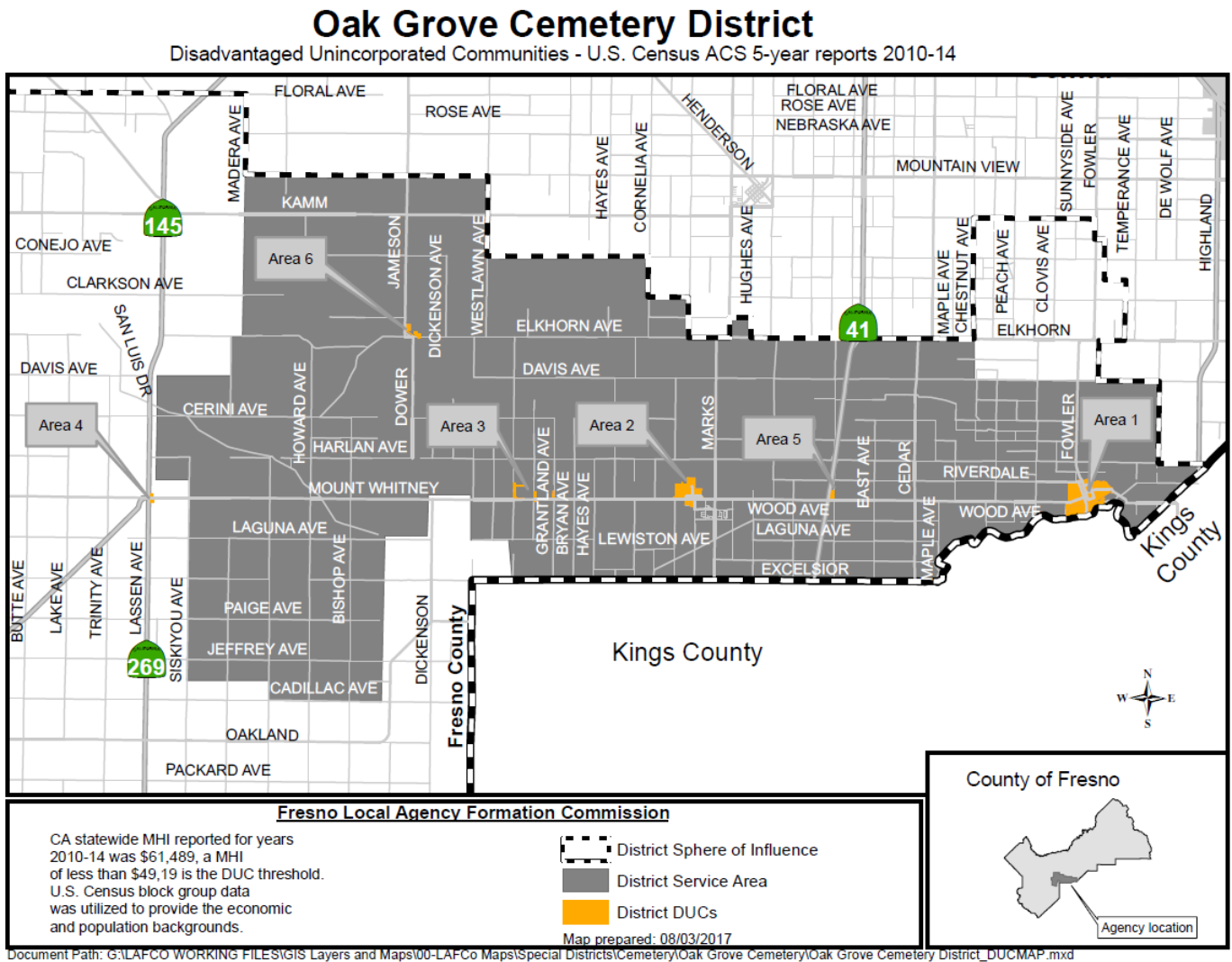
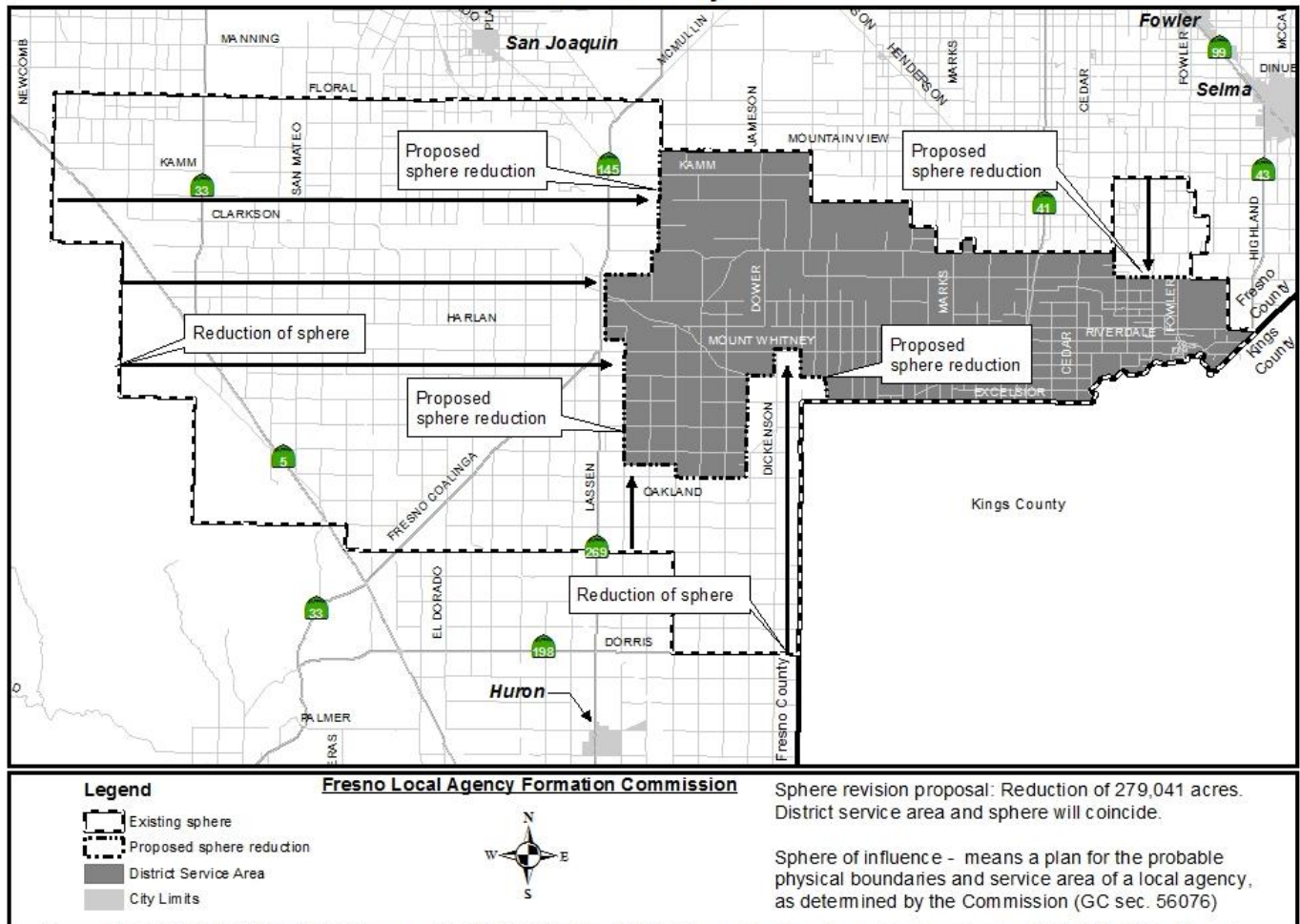


Figure Three – Proposed Sphere Revision

Proposed Sphere of Influence Reduction Oak Grove Cemetery District



1. MUNICIPAL SERVICE REVIEW

PRINCIPAL ACT

The California Legislature authorized the creation of public cemetery districts in 1909 through California Public Cemetery District Law, (Health and Safety Code section 9000 *et seq.*). This law was revised in its entirety and recodified effective January 1, 2004. The California Public Cemetery District Law provides broad statutory authority for public cemetery districts to own, improve, expand, and operate public cemeteries.³

The Oak Grove Cemetery District (“District”) was formed in 1929 to provide burial and interment of human remains to meet the cultural, economic, religious, and social needs within the southcentral portion of Fresno County and the community of Laton. The District is an independent special district governed by a three-member board of trustees. The Fresno County Supervisors representing Districts 1 and 4 appoint eligible trustees to four-year terms. Candidates eligible to serve as trustees must be a registered voter and resident within the District’s boundaries. The board of trustees is solely responsible for all aspects of the District. State legislation authorizes the board of trustees to appoint a general manager to oversee the District’s daily operations. The District general manager is assisted by two cemetery groundkeepers.

DISTRICT SERVICE AREA

The District is solely within County of Fresno situated slightly north of the Fresno-Kings County line. The District’s jurisdictional boundaries are generally bounded by West Mountain View Avenue to the north, South Madera Avenue to the west, East Excelsior Avenue to the south, and Dewolf Avenue to the east, as shown on Figure 1. The District’s service area and sphere of influence (SOI) are not coterminous: the District’s service area encompasses 108,575 acres, while the SOI encompasses approximately 387,616 acres. The District’s SOI is nearly three times greater than the District’s service area.

The District’s jurisdictional boundaries abut with Washington Colony Cemetery District to the north, Kingsburg Cemetery District to the east, and Hanford Cemetery District located to the south in Kings County. There are no cemeteries abutting the District’s western service area; however, land immediately west of the District is within the District’s SOI. Unlike most other special districts, cemetery districts do not hold a monopoly on services they provide within their jurisdictional boundaries. Private cemeteries, both religious and secular, can and do compete with public cemeteries particularly in more urbanized areas. As such, various private cemeteries can exist inside the jurisdictional boundaries of a public cemetery district.

Classified street access through the District’s service area include Kamm Avenue, West Mountain View Avenue, East Excelsior Avenue. Likewise, north to south classified streets within the District service area include State Route 41, Cedar Avenue, South Walnut Avenue, South West Avenue, Jameson Avenue, South Howard, and South Madera Avenue.

³ Health and Safety Code (HSC) section 9000.

DISTRICT SPHERE OF INFLUENCE, BACKGROUND

Government Code section 56076 defines a "Sphere of influence" as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission."

On June 21, 1976, the Commission adopted the existing sphere of influence for the Oak Grove Cemetery District.⁴ At that time, LAFCo records indicate the District was interested in annexing land west of its existing service area to include the unincorporated communities of Three Rocks, El Porvenir, Cantua Creek, Five Points, and Helm. LAFCo staff recommended that the Commission determine a SOI that coincided with the boundaries of the Westside Elementary School District and portions of Helm Elementary School boundary and Cantua Creek Elementary School boundary (both schools are now in the Golden Plains Unified School District). The Commission adopted a SOI that nearly doubled the District's 1929 SOI area.

In the 41 years since adoption of the SOI, these communities remain outside of the District's existing service area. Based on communications with the District it appears that there is little demand for, or financial incentives to annex land west of the District's existing service area. Further, the District does not plan for growth of its service area.

AUTHORIZED DISTRICT SERVICES

Under Government Code (GC) section 56425(i), "when adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts." LAFCo observes that the scope of District services is set forth in Public Cemetery District Law, wherein a cemetery district is authorized by its principal act to exercise all rights and power, expressed or implied under HSC section 9040-9056. A cemetery district may own, operate, improve, and maintain cemeteries and provide interment services within its boundaries. The District has exclusive jurisdiction and control over its facilities maintenance and management. According to District's principal act, public cemeteries have broad authority to exercise the following powers:

- To acquire by purchase, eminent domain, grant, gift, lease any real property;
- To sell, lease, or otherwise dispose of any real or personal property ;
- To donate any surplus real or personal property to any public agency or nonprofit organizations;
- Engage necessary employees, to define their qualifications and duties, and to provide a schedule of compensation for performance of their duties;
- To engage counsel and other professional services;
- To enter into and perform all necessary contracts;
- To adopt and enforce rules and regulations for the administration, maintenance, operation, and use of cemeteries;
- To enter joint powers agreements;
- To appoint advisory committees to make recommendations for the ownership, improvement, expansion, and the operation of cemeteries owned by the district and the provision of interment services; and
- Burial and interment of human remains.

⁴ Fresno LAFCo Resolution No. Rev. SOI-21, June 23, 1976.

FRESNO LAFCO MSR POLICY DESIGNATION

A Municipal Service Review (MSR) is required in order to prepare or update a local agency's sphere of influence. It is LAFCO's observation that many special districts within Fresno County typically do not request or experience modifications to their service area or request an update or revisions to the Commission's adopted SOI for the subject agency.

While the Commission is not required by law to make any changes to a SOI, the Commission may, at its discretion, opt to reaffirm, expand, delete a SOI, or approve, deny, or approve with conditions any changes of organization or reorganization impacting the governmental agency as a result of the information gathered during the MSR update process.⁵

In accordance with GC sec. 56066, Fresno County is the principal county. Fresno LAFCo is responsible for updating the SOI for the District consistent with GC sec. 56425(g). In order to update the agency's SOI, Fresno LAFCo has prepared this service review consistent with GC sec. 56430.

DISTRICT GROWTH AND POPULATION PROJECTIONS

In this section of the MSR, demographic information gathered from the US Census - American Community Survey (ACS) five-year reports for the 2011-2014 period, as well as land use policy documents adopted by the land use authorities is used to estimate population growth within the District's service area.

Geographic Information System (GIS) files were derived from the U.S. Census Bureau to estimate a current population for territory inside the District. According to the ACS U.S. census tracts/block group units located within the District, there is an estimated total population of 13,320 people inside the District's boundaries.⁶ These population estimate does not exactly match the boundaries of the District, but provides a basis for reviewing possible future demands for cemetery services in the areas served by the District.

The District's service area encompasses only unincorporated land within Fresno County, there are no incorporated cities inside the District's boundaries. Population concentrations within the District occur in the unincorporated communities of Riverdale, Lanare, Laton, Five Points, Burrel, and Camden. The County of Fresno is the land use authority for all territory inside the District's service area.

The Fresno Council of Governments (COG) provides growth projections for Fresno County between years 2015 and 2050. The Fresno COG forecasts a 0.4 percent annual population growth rate assumption to forecast population growth in unincorporated areas outside of cities SOIs.⁷

⁵ Fresno Local Agency Commission – Policy 107 – Municipal Service Review Policy.

⁶ Calculated population by LAFCo based on nine US census tracts, 5 block group units within the District. June 1, 2017.

⁷ Table 21- Projection of Total Population: Fresno County and Local Jurisdictions: 2015-2050, Fresno County 2050 Growth Projections, Fresno Council of Governments,

The Fresno County General Plan designates the majority of the land within the District for agricultural uses with the exception of the unincorporated communities. According the Fresno County General Plan, rural settlement areas surrounded by agricultural and open space, such as the unincorporated communities described in detail in the following sections, have historically experienced little growth since their establishments. Substantial population growth in the unincorporated communities is not anticipated in the future.⁸ LAFCo observes that majority of the forecasted population growth will be directed to the nearest cities of Kingsburg, Selma, or Coalinga. Land within the unincorporated communities consist of various land use designations such as low-density residential, public facilities, commercial, or limited industrial.

Unincorporated Community: Laton

Fresno County maintains the Laton Community Plan to guide future growth within the plan area's boundaries. The community of Laton is located southeast of the intersection of West Riverdale Avenue and the Old Kingston Grade in south central Fresno County approximately 24 miles south of the City of Fresno.

The unincorporated community of Laton is recognized as a Census Designated Place by the U.S. Census Bureau. According to the U.S. Census, Laton has a population of 1,473 people and a housing stock of 522 units.⁹ The Fresno County Housing Element's housing sites inventory for Laton determined that 104 new units can be accommodated on vacant sites in this community, 70 units of which can be multi-family units up to 18 units per acre.¹⁰

The Laton Community Service District (Laton CSD) provides street lighting, water, sewer, storm drainage, solid waste, fire protection within the community of Laton. The Laton CSD currently serves 465 connections and has the capacity to serve an additional 85 service connections.¹¹

Unincorporated Community: Riverdale

Riverdale is located approximately 32 miles south of the City of Fresno, near the State Route 41 and Mount Whitney Avenue intersection. The community of Riverdale is recognized as a Census Designated Place by the U.S. Census Bureau. According to the U.S. Census, Riverdale has a population estimate of 4,081 people and a housing stock of 960 units.¹²

The Riverdale Public Utility District (RPUD) provides street lighting, water, sewer, and fire protection through 965 connections. According to the Fresno County Housing element update, the Riverdale PUD has the capacity to accommodate 221 new units in vacant land in the community plan area.

http://www.fresnocog.org/sites/default/files/publications/RTP/2018_RTP/Fresno_COG_2050_Projections_Final_Report_050417.pdf.

⁸ County of Fresno, General Plan Agriculture and Land Use Element, page 2-26.

⁹ U.S. Census, American Fact Finder – American Community Survey 5 year estimates, 2011-15, Laton CDP, California. Accessed, May 31, 2017.

¹⁰ Fresno Multi-Jurisdictional 2015-2023 Housing Element, page 2A-135.

¹¹ Ibid.

¹² U.S. Census, American Fact Finder – American Community Survey 5 year estimates, 2011-15, Riverdale CDP, California. Accessed, May 31, 2017.

Unincorporated Community: Lanare

Fresno County maintains the Lanare Community Plan to guide future growth within the plan area's boundaries. Lanare is located along Mount Whitney near the Grantland Avenue intersection; less than two-miles west of the unincorporated community of Riverdale.

The community of Lanare is recognized a Census Designated Place by the U.S. Census Bureau. According to the U.S. Census, the community of Lanare has a population of 304 people, and a housing stock of 82 units.¹³

The Lanare Community Service District (Lanare CSD) was formed in 1971 to provide water services within the community of Lanare. The District owns a public water system and a community center. Lanare CSD's water infrastructure includes two wells and a water filtration system with 151 connections based on billing customers.¹⁴ In 2010, after recommendation from State Water Resources Control Board, Division of Drinking Water, Lanare CSD's public water system was placed into a receivership on August 27 by the Superior Court of the State of California, County of Fresno. According to the Fresno County Housing Element update, the Lanare CSD area has the capacity for an additional 14 dwelling units within the next five to ten years.¹⁵

According to Fresno County's Housing Element, communities like Lanare do not have the water and sewer infrastructure to support existing services and demands by new development. Given constraints on new rural housing arising from the current ability of the LCSD to manage its water system, as well as a very low County growth rate, it is expected that minimal population growth will occur within the Lanare area in the next five to ten years.

Unincorporated Community: Five Points

Five Points is an unincorporated community in Fresno County located approximately 25 miles northeast of the City of Coalinga, outside the District's boundaries at the intersection of West Mount Whitney Avenue and Lassen Avenue (SR 269) and Fresno Coalinga Road (SR 145).

Existing land uses within Five Points are consistent with Fresno County's Agricultural Commercial Center and Exclusive Agricultural zones. The following businesses are in Five Points: Agri-Valley Irrigation, Napa Auto and Truck Parts, John Deere Fresno Equipment Company, United States Post Office, El Rancho Café, Lassen Market, and Five Points Liquor Store. LAFCO estimates that there are 12 to 14 residential dwellings units within the Five Points.

¹³ U.S. Census, American Fact Finder – American Community Survey 5 year estimates, 2011-15, Lanare CDP, California. Accessed, May 30, 2017.

¹⁴ Lanare Public Water System Improvements, Prop. 84 Feasibility Study, April 2014, NV5 Beyond Engineering.

¹⁵ Fresno Multi-Jurisdictional 2015-2023 Housing Element, pages 2A-138 and 1A-1.

Unincorporated Community: Burrel

Burrel is an unincorporated community located near the intersection of South Jameson Avenue and West Elkhorn Avenue in Fresno County, approximately 13 miles southeast of the City of San Joaquin, and 30 miles southwest of City of Fresno.

Existing land uses within Burrel are consistent with Fresno County's Exclusive Agricultural zone district. Existing land uses within the community include Burrel Union Elementary School District (single school district), Burrel Market, and a U.S. Post Office. LAFCo staff estimates there are approximately 15 dwelling units near Burrel.

Unincorporated Community: Camden

Camden an unincorporated community located near the intersection of East Mount Whitney Avenue and State Route 41 in Fresno County, approximately 3 miles east of Riverdale, and 30 miles south of City of Fresno. Land within the community of Camden is situated within Fresno County's Exclusive Agricultural zone district, smaller portions are in the Trailer Park Residential, Agricultural Commercial Center, and General Commercial.

Existing land uses within the community of Camden include a mobile home park (28 units), a convenience store, and a gas station. LAFCo staff estimates there are approximately 10 noncontiguous dwelling units east of South Elm Avenue along both side of E. Mount Whitney Avenue near Camden.

District Interment Rate

Health and Safety Code identifies those authorized to be interred in a cemetery district's facilities.¹⁶ The deceased must have been a resident or taxpayer of the district, or former resident or taxpayer of the district, who purchased burial plots prior to leaving the area. Family members are eligible for interment, but are limited to spouses, parents, grandparents, children, and siblings.

Qualified non-residents may be interred in any cemetery in the District if the trustees have determined there is adequate space available for the foreseeable future and that the non-resident fee is paid to the District. 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 person's residence.¹⁷

The District's has a 20-acre cemetery site located on 19811 Cedar Street, Laton, California 93242. The District informed LAFCo that it annually averages 50 to 60 interments.¹⁸ The District further informed LAFCo that only 12 acres of the 20-acre cemetery are developed with burial sites and eight acres are available to the District for future expansion.

¹⁶ HSC section 9060-9069.

¹⁷ HSC section 9061.

¹⁸ LAFCo phone communication with the District Secretary/GM, June 3, 2017.

Assuming an industry standard planning estimate of 550 plots per acre, the District's six-acre reserve has the potential to accommodate about 4,400 future interments. Based on industry standards, the District has interment capacity beyond LAFCo's 20 to 25-year SOI planning horizon.¹⁹ LAFCo expects that District growth will occur through expansion of its existing facilities or the purchase/lease of real property within the District boundaries.

DISADVANTAGED UNINCORPORATED COMMUNITIES

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires LAFCo to make determinations regarding "disadvantaged unincorporated communities" ("DUCs") when considering a change of organization, reorganization, SOI expansion, and when conducting municipal service reviews.

For any updates to a SOI of a local agency (city or special district) that provides public facilities or services related to sewer, municipal and industrial water, or structural fire protection, the Commission shall consider and prepare written determinations regarding the present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies for any disadvantaged unincorporated community within or contiguous to the SOI of a city or special district.

GC sec. 56033.5 defines a DUC as: i) all or a portion of a "disadvantaged community" as defined by sec. 79505.5 of the Water Code (territory with an annual median household income (MHI) that is less than 80 percent of the statewide annual median household income and as defined in GC sec. 56046 and WC sec. 79505.5); and a status of ii) "inhabited territory" (12 or more registered voters), as defined by GC sec. 56046, or as determined by Commission policy. Fresno LAFCo policy further refines the definition of a DUC as having at least 15 dwelling units at a density not less than one unit per acre.

Geographic Information System (GIS) files were derived from the US Census Bureau's American Community Survey (ACS) compiled for the five-year period 2010-2014 to identify the demographic composition for the various census geographies. Although the ACS provides annual and three-year estimates, the five-year reports between years 2010-2014 provide more precise data and mapping information for analyzing small populations. The five-year reports are the most reliable form of information generated by the US Census bureau.²⁰ The statewide MHI reported for years 2010 through 2014 was \$61,489. Hence, the calculated threshold for a DUC is any geographic unit with a reported MHI that is less than \$49,191. The census block group data was utilized to provide the economic and population backgrounds for this section of the MSR.

The District encompasses census tracts that meet the Water Code definition of Disadvantaged Communities on the basis of their MHI. In addition, there are six *unincorporated* communities that satisfy at least three DUC criteria as defined by Commission policy: Laton, Riverdale, Lanare, Five-Points, Burrel, and Camden. All six communities have been previously described in the District Growth and Population Projection section of this service review. Additional demographic information is presented as follows:

¹⁹ LAFCo phone communication with District Secretary, June 3, 2017.

²⁰ US Census Bureau, http://www.census.gov/acs/www/guidance_for_data_users/estimates/.

- Area 1 (Laton). Area 1 is located near the intersection of South Fowler Avenue and Murphy Avenue. The DUC consists of approximately 530 unincorporated parcels located within U.S. census tract 74.00-block group 2 and block group 3. According to the US census data, census tract 74.00-block group 2 had a MHI of \$42,500 and block group 3 had an MHI of \$29,696 between years 2010-2014. This area of concern meets two DUC indicators identified by Commission Policy 106, MHI threshold and at least 15 dwelling units. As mentioned earlier, the Laton Community Service District provides street lighting, water, sewer, storm drainage, solid waste, and fire protection within the community of Laton.
- Area 2 (Riverdale). Area 2 is located near the intersection of South Marks Avenue and Mount Whitney Avenue. The community of Riverdale is located within U.S. census tract 77.00-block group 1 and 3. According to the US census data, census tract 77.00-block group 1 had a MHI of \$44,219 and block group 3 had an MHI of 41,321 between years 2010-2014. This area of concern meets two DUC indicators identified by Commission Policy 106, MHI threshold and at least 15 dwelling units. As mentioned earlier, Riverdale Public Utility District provides street lighting, water, sewer, and fire protection within Riverdale.
- Area 3 (Lanare). Area 3 is located near the intersection of South Grantland Avenue and Mount Whitney Avenue. The community of Lanare is located within U.S. census tract 77.00-block group 4. According to the US census data, census tract 77.00-block group 4 had a MHI of \$40,625 between years 2010-2014. This area of concern meets two DUC indicators identified by Commission Policy 106, MHI threshold and at least 15 dwelling units. As noted earlier, Lanare Communality Service District owns the public water system although the system is currently managed by a court appointed receivership.
- Area 4 (Five Points). The community of Five Points is located within U.S. census tract 78.02-block group 1. According to the US census data, census tract 78.02-block group 1 had a MHI of \$33,214 between years 2010-2014. This area of concern meets two DUC indicators identified by Commission Policy 106, MHI threshold and at least 15 dwelling units. LAFCo estimates that there are 12 to 14 residential dwellings units within the Five Points area.
- Area 5 (Burrel). The community of Burrel is located within U.S. census tract 76.00-block group 2. According to the US census data, census tract 76.00-block group 2 had a MHI of \$32,466 between years 2010-2014. This area of concern meets two DUC indicators identified by Commission Policy 106, MHI threshold and at least 15 dwelling units. LAFCo estimates that there are 15 residential dwellings units within the Burrel area.
- Area 6 (Camden). Camden an unincorporated community located near the intersection of East Mount Whitney Avenue and State Route 41 in Fresno County. The community of Camden is located within U.S. census tract 77.00-block group 1. According to the US census data, census tract 77.00-block group 1 had a MHI of \$44,219 between years 2010-2014. Within Camden, there is a mobile home park (28 units), a convenience store, and a gas station. This area of concern meets two DUC indicators identified by Commission Policy 106, MHI threshold and at least 15 dwelling units.

District services are limited to interment and maintenance of its public facilities. For the purpose of this MSR, the communities within the District and are eligible to receive District services. LAFCo presumes that, for the purpose of this MSR, the DUCs identified within District's service area are assumed inhabited in the absence of a complete application filed with Fresno LAFCo.

DISTRICT INFRASTRUCTURE

The District's facilities consist of a 20-acre cemetery and office building located on 19811 Cedar Street, Laton, California 93242. As previously noted, only 12 acres of the total 20-acre cemetery facility is developed with burial sites; eight acres are available to the District for future expansion.

The District owns machinery, interment equipment, and various tools required to fulfill its responsibilities as a public cemetery. The District maintains an equipment/machinery roster that annually is reviewed by the general manager to identify potential maintenance needs, replacements, or new investments.

The District draws its irrigation and facility water sources from a well located within the cemetery site, APN 055-340-03T. The District informed LAFCo that in 2014, during one of California's driest year, the District deepened the well to avoid the potential of the well drying up.²¹ The District's well information is limited; however, the District informed LAFCo that its well is rated with adequate capacity to continue serving the District's needs.²²

DISTRICT FINANCES

This section of the MSR includes financial information provided by District management. The District provided financial data to LAFCo so that it can determine if the District has sufficient revenues and financial systems to continue its provision of services to its customers. The following information and analysis is based on annual budgets and supportive documents made available by the District.

Consistent with the requirements of its principal act, the District prepares and adopts an annual budget on or before August 30th of each year.²³ The District's budget projects anticipated revenues and expenditures using line items for the upcoming fiscal year. The District reports its financial activities using two major governmental funds:

- General Fund – the District's major operation fund that accounts for all the agency's financial activities.
- Endowment Care Fund – a legislatively-mandated fund that accounts for maintenance activities of District facilities.

The District's primary source of revenue is the annual property tax charged to all parcels within the District's boundaries. The District receives its share the 1% property tax based on its pre-

²¹ Interview with General Manager, July 10, 2017.

²² LAFCo interview with District General Manager, July 10, 2017.

²³ HSC sec. 9070-9079 *et seq.*

Proposition 13 level of taxation through the Fresno County Auditor-Controller/Treasurer-Tax Collector. Additionally, the District receives revenue from plot sales and services, intergovernmental agreements, and land interest generated by sold plots, from fees charged for services provided, operation grant funding, contributions, and capital grants.²⁴

The District has approximately \$9,410 in cash with the Fresno County Treasury. The District's annual total available cash average is approximately \$9,300. The District average total available cash and cash in the County Treasury amounts to \$18,710. The District had no outstanding long-term loans or debt during the preparation of this service review.

The District's annual property tax revenue amounts to an average of approximately \$92,544. Additional revenues are generated from interest rates earned on District bank accounts and the endowment fund. The District's budget identifies \$378 of interest earned from its bank accounts. The District's revenue program for the year anticipates \$107,420 to be generated from goods and services provided by the District. As previously indicated, the District's FY 2015-16 budget amounted to \$219,767, with a deficit of approximately \$715.

The District's budget identifies several expenditures that are summarized in three large categories: Employee Salaries, Service and Supplies, and Fixed Assets. The District's employee salary and benefits category is the largest expenditure at \$133,142 of the District's budget. It includes payroll, social security, employee retirement plans, workers compensation, and insurance costs. The District's service and supplies budgets identifies \$99,942, which allocates funding toward household expenses, liability insurance, and facility maintenance and operational costs. The District's total expenditures for FY 2015-16 amount to approximately \$233,084.

The District has annual audits performed by independent certified public accountants. The audits are submitted to the Fresno County Auditor and State Controller consistent with Health and Safety Code.

The District provided LAFCo with its most current independent financial statements for the year ended on June 30, 2015, prepared by an Auditor-independent Certified Public Accountant. The auditor's report provides LAFCo an overview representation on the District's financial practices.

According to the auditor's report, District accounts are organized on the basis of fund accounting, and it utilizes a "general fund" structure for its appropriations. Under fund accounting, different types of District operations are accounted for in different funds, each with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures as appropriate.

The auditor's report indicates that at the time the financial audit was performed, the District's financial practices conformed with generally accepted accounting principles (GAAP). The District has an established endowment fund that could be used to maintain burial lots and the cemetery in perpetuity. The endowment fund is financed from user fees.

²⁴ Oak Grove Cemetery District, Report on Audit of Financial Statement for Year Ended June 30, 2015.

In the auditor's report dated June 30, 2015, the District's assets exceeded its liabilities by \$12,549. The entire amount is either invested in capital assets or restricted for maintenance of the cemetery facilities.

The District has an established endowment fund. California law requires public cemetery districts to maintain an Endowment Care Fund and to collect an endowment care contribution for every interment right sold in a public district cemetery. The purpose of the Endowment Care Fund is to create a fund, the principal of which may never be used for any purpose, but which generates interest income which is then used for the perpetual care and maintenance of district cemeteries. Once deposits are made into the Endowment Care Fund, they can never be withdrawn or refunded to contributors. The District showed \$21,433 in its Endowment Care Fund at the time the financial audit was performed.

Issue of concern: an accumulating budget deficit

The District's fiscal year (FY) 2015-2016 budget amounted to \$219,767. The District's expenditures in that fiscal year amount to approximately \$233,084. The FY 2015-2016 budget projected an anticipated deficit of \$13,317. During FY 2015-16, the District showed a total reserve account of \$55,027.

For the year ending on June 30, 2015, the District's total net position decreased by \$14,826. As of the close of FY 2014-2015, the District's governmental funds reported a combined deficit of \$44,361. None of this amount is unassigned or available for District spending. As of the end of this same fiscal year, the District's fixed assets decreased by a net of \$2,051. The decrease was attributed entirely to depreciation.

At the end of FY 2014-2015, the District's general fund had deficit fund balance of \$353,952. During the same year, the District's actual total expenditures exceeded total appropriations by \$25,066. As of the end of FY 2014-2015, the District's financial accounts show the following cash balances: \$20 cash at hand, \$9,299 cash in bank, and \$153,905 in the Fresno County Treasury.

The District's general fund budget for the fiscal year ending June 30, 2016 projected a deficit of \$22,727. According to the District's Audit, its revenue is anticipated to increase by \$21,849 while expenditures are also expected to increase by \$20,380. Sales and services revenue was anticipated to increase by \$20,190 for the same fiscal year.

On July 10, 2017, LAFCo staff met with the District's General Manager to discuss the general fund deficit, however the District's general manager was unfamiliar with the deficit identified in the auditor's financial statements report.²⁵ During the preparation of this report, the District communicated no indication to LAFCo that it was preparing to resolve its on-going projected annual general fund financial deficits.²⁶

²⁵ Meeting at Oak Grove Cemetery District, July 10, 2017.

²⁶ LAFCo Staff District Outreach, email on August 23, 2017 and phone call September 1, 2017, No Formal District response.

PUBLIC FACILITIES, OPPORTUNITIES FOR SHARED FACILITIES

This section of the MSR considers the use of shared facilities, and their potential to offset costs or promote greater efficiency in provision of services within the region. The District service area overlaps with the following types of special districts:

- Laton Community Service District
- Kings River Conservation District
- Lanare Community Service District
- Kingsburg Hospital District
- Consolidated Irrigation District
- Riverdale Irrigation District
- Laguna Irrigation District (Kings County Principal County)
- Riverdale Memorial District
- Consolidate Mosquito Abatement District
- Riverdale Public Utility District
- Liberty Water District
- West Fresno County Red Scale District

At the time this MSR was prepared, there were no opportunities identified for shared facilities that would present a benefit to the Oak Grove Cemetery District.

GOVERNMENT ACCOUNTABILITY

This section of the MSR considers various topics, such as compliance with state disclosure laws, the Brown Act, public participation, i.e. open meetings, accessible staff, election processes, and the agency's governing structure. Additionally, this section of the MSR considers the agency's level of participation with the Commission MSR program.

The California Legislature authorized the creation of public cemetery districts in 1909 through California Public Cemetery District Law. The Public Cemetery District Law was revised in its entirety and recodified effective January 1, 2004.

California HSC section 9000 *et seq.* requires each public cemetery district to have a board of trustees of at least three members to govern the District's operation. The Fresno County Supervisors from Districts 1 and 4 are responsible for appointing persons who are registered voters and residents within the District boundaries to serve on the board. Fresno County is not responsible for providing any income or support to the District.

Each trustee is required to take the oath of office prior to being appointed to the District's Board and file a Form 700s – Statements of Economic Interests—upon taking office, annually, and upon leaving office. Public Cemetery District Law requires trustees to exercise their independent judgment on behalf of the interests of the residents, property owners, and the public as a whole and to represent the interests of the public as a whole and not solely the interests of the Board of Supervisors.²⁷

²⁷ HSC section 9022.

The District is an independent special district governed by a three-member board of trustees, and functions independently from the County. The terms of trustees must be staggered by appointments to terms of less than four years; otherwise, the term of office for trustees is four years.²⁸ The current District board of trustees' terms are staggered and are set to expire in consecutive years as follows 2018, 2019, and 2021. The District board of trustees receive a monthly \$50 per diem compensation for attending district board meetings; however, no trustee can receive more than \$100 in compensation during a calendar month.²⁹ The major functions of the trustees is to set policy, define goals and objectives, and adopt rules and regulations as the custodians of the District's property.

The board has one appointed a general manager to carry out District policy, direct the agency's operations, provide daily supervision of staff and facilities, and administer the District's expenditures and to serve as the District secretary. The general manager is assisted by two cemetery groundkeepers. The District's daily operations are performed by three full-time employees. The District has adopted policy that defines the District's personnel structure and its administrative hierarchy.

The general manager is responsible for the overall operation of the District, including but not limited to arranging burials, cemetery premises maintenance, preparation of the annual budget, and maintenance of financial accounts, billings, and payroll. The two grounds men are full-time employees and help to maintain the grounds and assist with burial events.

Regular board meetings are held at 1:00 p.m. on the first Tuesday of each month at the Oak Grove Cemetery District office located at 19811 S. Cedar Avenue Laton, CA 93242. The board has the discretion to shift the date, time and place of its regular board meetings provided that there is adequate notice provided to the public. Special meetings may be called by the board chair or by a majority vote of the board of trustees. All board meetings are noticed consisted with the Ralph M. Brown Act.

Prior to any board meeting, an agenda listing all items to be transacted by the board is prepared as specified by the District's Policy, and posted 72 hours in advance for public review at the District office. Agendas for special meetings are posted at least 24 hours before the meeting, and interested parties are contacted by District personnel. District board meetings are open to the public. Each agenda includes an opportunity for the public to address the board on items not on the agenda, and within the jurisdiction of the District.³⁰

As of January 1, 2004, statute requires that all public cemeteries adopt policies and procedures, including bidding regulations, governing the purchase of supplies and equipment.³¹ The District provided LAFCo a copy of the District's policies and rules of order that outlines the District's government structure. Additionally, the District has adopted internal governance guidelines that identify the District's purpose, roles and responsibilities, government culture, and structure and process.

²⁸ HSC section 9024.

²⁹ Oak Grove Cemetery District Policy Manual, page 1.

³⁰ Meeting with District General Manager, July 10, 2017.

³¹ HSC section 9044 (a).

The District is a member of the California Association of Public Cemeteries (CAPC) and the Public Cemetery Alliance (PCA). The CAPC serves and promotes cooperation among California's public cemeteries to stimulate the healthy development of local governance by sharing emerging operation methods and procedures, share best practices information, share quarterly newsletters, and to foster education of public cemetery boards and supporting personnel.³² The purpose of the PCA is also provide a source of specializing services that relate directly to the operation of California Public Cemetery Districts and to assist them in providing quality cemetery services within their respective communities.³³

The District informed LAFCo that board members are familiar with the Brown Act, and each trustee is provided a hard copy of the Brown Act. Each board member and District officer receives bi-annual training on the Brown Act and the Fair Political Practices Commission (FPPC). The District attends Brown Act and FPPC trainings provided by either California Special District Association, or California Association of Public Cemeteries.

The District's government structure is appropriate to ensure adequate services are provided and managed. At the time preparing this MSR, the District's government structure appears to be adequately structured, operates, and fulfills its role as a services provider within the Laton area.

ANY OTHER MATTERS RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY

Sustainable Groundwater Management Act

The District's jurisdictional boundaries overlap with the North Fork Kings Groundwater Sustainability Agency (NFKGSA).³⁴ The District's facilities and underground wells are in solely in the North Fork Kings Groundwater Sustainability Agency. During the preparation of this MSR, the District informed LAFCo that it does not actively engage in groundwater recharge programs, nor has it entered into any Participation Agreements with any of the GSAs overlapping the District's boundaries. Under State statute, a GSA is responsible for developing and implementing a groundwater sustainable plan (GSP) to meet the sustainability goal of the basin to ensure that it is operated within its sustainable yield, without causing undesirable results.³⁵ As such, LAFCo anticipates that within the next five years the local GSAs will work with all cemeteries that rely on groundwater pumping to establish recharge programs to offset and balance groundwater usage within the groundwater table.

The North Fork Kings Groundwater Sustainability Agency (NFKGSA) was created through California special act legislation (SB 564 Canella) for the specific purpose of implementing sustainable management and regulation of groundwater aquifers underlying its jurisdiction within the Kings Sub-basin. The NFKGSA is comprised of Clark's Fork Reclamation District, Laguna Irrigation District, Upper San Jose Water Company, Laton Community Services District,

³² California Association of Public Cemeteries, http://www.capc.info/about_CAPC.html, May 5, 2017.

³³ Public Cemetery Alliance, <http://www.publiccemeteryalliance.com/>.

³⁴ California Department of Water Resources, SGMA Portal, <http://sgma.water.ca.gov/portal/gsa/print/211>.

³⁵ California Department of Water Resources, SGM Sustainable Groundwater Management, <http://www.water.ca.gov/groundwater/sgm/gsa.cfm>.

Riverdale Public Utility District, Lanare Community Services District, Crescent Canal Company, Stinson Canal and Irrigation Company, Riverdale Irrigation Company, Reed Ditch Company, Liberty Mill Race Company, Burrel Ditch Company, Liberty Water District, Liberty Canal Company.

LAFCo anticipates that Oak Grove Cemetery District will be represented by Laguna Irrigation District, Riverdale Irrigation District, and Fresno County as it pertains to participation with future recharge programs, and interaction with the NFKGSA.

2. MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews and provides analysis in conformance with GC section 56425 and Fresno LAFCo policy. Pursuant to GC section 56430, the Commission has prepared the following written determinations.

1. GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

- The District's jurisdictional boundaries are generally bounded by West Mountain View Avenue to the north, South Madera Avenue to the west, East Excelsior Avenue to the south, and Dewolf Avenue to the east, near the unincorporated community of Laton.
- The District's service area encompasses 108,575 acres, while the SOI encompasses approximately 387,616 acres. The District's SOI is nearly three times greater than the District's service area.
- According to the ACS U.S. census tracts/block group units located within the District, there is an estimated total population of 13,320 people inside the District's boundaries.
- The District's service area encompasses only unincorporated land within Fresno County, there are no incorporated cities inside the District's boundaries. Population concentrations within the District occur in the unincorporated communities of Riverdale, Lanare, Laton, Five Points, Burrel, and Camden.
- The County of Fresno is the land use authority for all territory inside the District's service area. According the Fresno County General Plan, rural settlement areas surrounded by agricultural and open space have historically experienced little growth since their establishments. Substantial population growth in the unincorporated communities is not anticipated in the future.
- The District's has a 20-acre cemetery site located on 19811 Cedar Street, Laton, California 93242. The District informed LAFCo that it annually averages 50 to 60 interments. The District further informed LAFCo that only 12 acres of the 20-acre cemetery are developed with burial sites and eight acres are available to the District for future expansion.
- Communication with the District indicates that it has no plans annex land into the District. LAFCo expects that District growth will occur through expansion of its existing facilities or the purchase/lease of real property within the District boundaries.

2. THE LOCATION OF AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITY WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE

- LAFCo identified six DUCs within the District's boundaries as defined by Fresno LAFCo policy during the preparation of this report.

- District services are limited to burial and interment of human remains, setting of headstones and maintenance of its public cemeteries. For the purposes of this section, services provided by the District do not support growth or induce population growth.

3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND INFRASTRUCTURE NEEDS OR DEFICIENCIES

- The District owns a 20-acre cemetery and office building located on 19811 Cedar Street, Laton, California 93242. Of the total 20-acre facility, only 12 acres are developed with burial sites; eight acres are available to the District for future expansion.
- The District has interment capacity beyond LAFCo's 20 to 25 year SOI planning horizon
- The District owns interment equipment, tools, and machinery needed to fulfill its responsibility and interment services. The District maintains an equipment/machinery roster that annually is reviewed by the general manager to identify potential maintenance needs, replacements, or new investments.
- The District draws its irrigation and facility water sources from a well located within the cemetery site. In 2014, the District deepened the well to avoid the potential of the well drying up. The District informed LAFCo that its well is rated with adequate capacity to continue serving the District's needs.

4. FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

- Consistent with the requirements of its principal act, the District prepares and adopts an annual budget on or before August 30th of each year. The District's budget projects anticipated revenues and expenditures using line items for the upcoming fiscal year.
- The District's primary source of revenue is the annual property tax charged to all parcels within the District's boundaries. The District receives its share the 1% property tax based on its pre-Proposition 13 level of taxation through the Fresno County Auditor-Controller/Treasurer-Tax Collector.
- During fiscal year (FY) 2015-16, the District budget amounted to \$219,767. The District's expenditures amount to approximately \$233,084. At the time this MSR was prepared, the District's FY 2015-2016 budget presented an anticipated deficit of \$13,313. The District had no outstanding long-term loans or debt during the preparation of this service review.
- The District has annual audits performed by independent certified public accountants. The audits are submitted to the Fresno County Auditor and State Controller consistent with Health and Safety Code. Annual audits conclude that the District's financial practices conformed with generally accepted accounting principles (GAAP).
- The District's general fund budget for year ending June 30, 2016 projected a deficit of \$22,727. According to the District's Audit, its revenue is anticipated to increase by \$21,849 while expenditures are also expected to increase by \$20,380.

- As of the end of June 30, 2015 FY, the District's general fund had a reported grand deficit fund balance of \$353,952. On July 10, 2017, LAFCo met with the District's General Manager to discuss the general fund deficit, however the District's general manager was unfamiliar with the deficit identified in the Auditor's financial statements report.
- During the preparation of this report, the District was not proactive in finding a resolution to solve its foreseeable annual financial deficits.
- The District has an established Endowment Care Fund with a balance of \$21,433 at the time the most recent financial audit was performed.

5. STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

- At the time this MSR was prepared, there were no opportunities identified for shared facilities that would present a benefit to the Oak Grove Cemetery District.

6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENT STRUCTURE AND OPERATIONAL EFFICIENCIES

- The District is governed by a three-member board of trustees, and functions independently from the County.
- The District board of trustees receive a monthly \$50 per diem compensation for attending district board meetings; however, no trustee can receive more than \$100 in compensation during a calendar month. The major functions of the trustees is to set policy, define goals and objectives, and adopt rules and regulations as the custodians of the District's property.
- The board has one appointed a general manager to carry out District policy, direct the agency's operations, provide daily supervision of staff and facilities, and administer the District's expenditures and to serve as the District secretary.
- The District's daily operations are performed by three full-time employees. The District has adopted policy that defines the District's personnel structure and its administrative hierarchy.
- Regular board meetings are held at 1:00 p.m. on the first Tuesday of each month at the Oak Grove Cemetery District office located at 19811 S. Cedar Avenue Laton, CA 93242.
- The District is a member of the California Association of Public Cemeteries (CAPC) and the Public Cemetery Alliance (PCA).
- The District's government structure is appropriate to ensure adequate services are provided and managed.

7. ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY

- LAFCo notes that there is limited District public information readily available online. Telephone calls and electronic mail are the most efficient method to interact with the District.
- The District's jurisdictional boundaries overlap with the North Fork Kings Groundwater Sustainability Agency (NFKGSA). The District's facilities and underground wells are in solely in the North Fork Kings Groundwater Sustainability Agency.
- The District informed LAFCo that it does not actively engage in groundwater recharge programs, nor has it entered into any Participation Agreements with any of the GSAs overlapping the District's boundaries. Under State statute, a GSA is responsible for developing and implementing a groundwater sustainable plan (GSP) to meet the sustainability goal of the basin to ensure that it is operated within its sustainable yield, without causing undesirable results. As such, LAFCo anticipates that within the next five years the local GSAs will work with all cemeteries that rely on groundwater pumping to establish recharge programs to offset and balance groundwater usage within the groundwater table.

3. SPHERE OF INFLUENCE REVISION

Fresno LAFCo has prepared this service review consistent with GC sec. 56430 in order to update the District's sphere of influence in accordance with Government Code sec. 56425. The purpose of the service review is to get a "big picture" of the public service provided in the county or specific designated geographic area, determine service need, and make recommendations in order to promote the orderly development of local agencies.

Chapter one of this Municipal Service Review was prepared in conjunction with this proposed sphere update. In summary, the service review found that the District is efficiently providing interment services within its existing service area; however, the District does not plan to annex land currently designated within the District's SOI without a financial incentive. Since adoption of the District's 1977 SOI, there have been no annexations to the District.³⁶ LAFCo staff reviewed the District's existing sphere boundary in light of the data collected throughout the MSR process, as well as, meeting with the District, and conducting a comprehensive review of previous LAFCo actions/resolutions.

On July 10, 2017, LAFCo staff met with the District General Manager to discuss the District's interment capacity, future growth plans, and the possibility of annexing land within the current District SOI. On August 7, 2017, LAFCo staff met with District board members and general manager to continue talking about the District's current conditions.³⁷ During the August meeting, the District and LAFCo staff discussed LAFCo's MSR/SOI update process and informed the District of two possible SOI options: preserve the existing SOI and plan for growth, or a possible SOI reduction that would adjust the SOI to coincide with the District's service area. The District representatives took no formal position on these options.

Sphere of Influence Background and Analysis

According to the LAFCo record, on June 23, 1976, the Commission adopted a sphere of influence for each cemetery district in Fresno County with the exception of Oak Grove Cemetery District. After multiple discussions between LAFCo and the District, LAFCo endorsed the District's interest in ultimately serve land generally north of Coalinga-Huron Cemetery District and land west of Five Points up to Interstate 5 (I-5). After a LAFCo record assessment, LAFCo staff notes that at least three items influenced the Commission's 1977 SOI determination:

- Lack of interest of other cemetery districts to serve the unincorporated subject territory;
- The District expressed intent to annex the land into the District;
- An interest to not form new cemetery districts between Coalinga-Huron Cemetery District and Oak Grove Cemetery District.

During the 1976 LAFCo establishment of local agencies' SOIs, LAFCo referenced school district boundaries as an analog to shape reasonably sized spheres of influence for the various cemetery districts in Fresno County.³⁸ The notion being that school districts generally form population

³⁶ Fresno LAFCo Resolution No. SOI-21, November 30, 1977.

³⁷ Meeting was noticed and open to the public per the Brown Act.

³⁸ The District's SOI encompasses Laton Unified School District, Riverdale Joint Unified School District, and Golden Plains Unified District boundaries.

focal points and serve communities of interest to local agencies.³⁹ Thus, the District's SOI has historically encompassed the unincorporated communities of Three Rocks, El Porvenir, Cantua Creek, Five Points, and the Helm area. However, the District has not proactively engaged these four dispersed and sparsely populated rural communities in order to annex them into the District. In 1977, majority of the land within the District's SOI encompassed, and continues to encompass active agricultural land uses.

LAFCo observes that there are over 279,041 acres within the District's SOI available for the District to annex, however in the past 40 years the District has not actively pursued any jurisdictional growth. Based on information made available to LAFCo, it does not appear that the District can financially fund future District growth. LAFCo notes that the most populated areas such as the communities of Laton, Riverdale, and Lanare are already being served by the District.

Since the District and LAFCo meeting on August 7, 2017, the District's decision-making with regard to the SOI update and its interaction with the Commission's MSR Program steadily declined which demonstrates its apathy for preserving its existing SOI, and its lack of interest to plan for future expansion of its jurisdictional boundaries.

Recommended Sphere of Influence Revision

Chapter one of this MSR provides the foundation for the Commission's SOI determinations. The District's service area encompasses 108,575 acres, while the SOI encompasses 387,616 acres. Reducing the SOI would not impair the District's ability to continue to offer services as it has for many decades. As proposed, the SOI would be reduced by 279,041 acres so that it coincides with the District's existing service area, which effectively reflects the District's current physical boundaries. The adjusted District SOI will encompass 108,575 acres.

A SOI reduction to conform it to the District's current service area may be considered by the Commission, as depicted on Figure three, when it determines that the growth of a special district's physical boundaries is not probable. LAFCo expects that District growth will occur through expansion of its existing facilities or the purchase/lease of real property within the District boundaries.

When Fresno LAFCo updates a sphere of influence for a local governmental agency within its purview, it must adopt specific determinations with respect to the following factors:

1. PRESENT AND PLANNED LAND USES, INCLUDING AGRICULTURAL AND OPEN-SPACE LANDS

- The District's service area lies completely in the unincorporated areas of Fresno County. The County of Fresno is the land use authority for land located within the District.
- The Fresno County General Plan designates the majority of the land within the District for agricultural uses with the exception of the unincorporated communities: Riverdale, Lanare, Laton, Five Points, Burrel, and Camden.

³⁹ Ibid.

- According the Fresno County General Plan, rural settlement areas surrounded by agricultural and open space, such as the unincorporated communities described in detail in the following sections, have historically experienced little growth since their establishments. Substantial population growth in the unincorporated communities is not anticipated in the future.
- Using the Commission's 20 to 25-year planning horizon for SOIs, LAFCo does not expect population growth or need to expand services outside the District's existing boundaries.
- LAFCo expects that District growth will occur through expansion of its existing facilities or the purchase/lease of real property within the District boundaries.

2. PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA

- The District's has a 20-acre cemetery site located on 19811 Cedar Street, Laton, California 93242. The District informed LAFCo that it annually averages 50 to 60 interments. The District further informed LAFCo that only 12 acres of the 20-acre cemetery are developed with burial sites and eight acres are available to the District for future expansion.
- The District estimates it has interment capacity beyond LAFCo's 20 to 25-year SOI planning horizon. The District informed LAFCo that its cemetery facility has sufficient interment capacity for the next 25 to 35 years.

3. PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES THAT THE AGENCY PROVIDES OR IS AUTHORIZED TO PROVIDE

- The District's facilities are adequate to continue supporting burial and internment of human remains within the Laton area.

4. EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA IF THE COMMISSION DETERMINES THAT THEY ARE RELEVANT TO THE AGENCY

- As observed by LAFCo, there no social or economic communities of interest exist near the District relevant to the agency's service provisions.

5. THE PRESENT AND PROBABLE NEED FOR THOSE PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE

- The District services are limited to burial and interment of human remains, and maintenance of its public cemetery. For the purposes of this section, services provided by the District do not support growth or induce population growth. Fresno LAFCo observes that services provided by the District would not present a direct benefit to a DUC as detailed in the MSR.

4. RECOMMENDATIONS

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

1. Receive this report and any public testimony regarding the proposed Municipal Service Review and proposed sphere of influence update.
2. Find that the Municipal Service Review is exempt from the California Environmental Quality Act pursuant to section 15306 (Information Collection).
3. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
4. Acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines, find that the proposed SOI reduction is Categorically Exempt from the provisions of CEQA under Section 15061(b) (3), "General Rule" where it can be seen with certainty that a reduction of the District SOI will not have an effect on the existing environment.
5. Approve the recommended sphere of influence determinations, together with any changes deemed appropriate.
6. Approve a SOI reduction, such that the District's SOI and service area are coterminous.
7. Encourage the District to evaluate its existing and foreseeable budget deficit, determine contributing factors, and suitably reduce its expenditures or raise its plot fees to eliminate ongoing budgeted deficits.

5. ACKNOWLEDGEMENTS

This Municipal Service Review update was prepared by Fresno LAFCO. Supporting documentation was made available through the effective partnership between District staff and LAFCO. LAFCO extends its appreciation to the District for their assistance in the development of this Municipal Service Review.

Available Documentation – documents used for the preparation of this report consist of public records and are available at the Fresno Local Agency Formation Commission Office located at:

Fresno Local Agency Formation Commission
2607 Fresno Street, Suite B
Fresno, California 93721

The Municipal Service Review is available on Fresno LAFCO's website, <http://www.fresnolafco.org/default.asp>