




VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 19, 2023
 (Continued from May 17, 2023)

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer 

SUBJECT: Sphere of Influence Review:
 LAFCo 23-10S Piru Public Cemetery District

Recommendation:

Adopt Resolution LAFCo 23-10S (Attachment 2) making determinations and reviewing the sphere of influence for the Piru Public Cemetery District (or District) pursuant to Government Code Section 56425(g), including that a sphere of influence update is not necessary.

District Information

Public cemetery districts are organized and have powers pursuant to Division 8 of the California Health and Safety Code relating to cemeteries and specifically pursuant to the Public Cemetery District Law (Health and Safety Code §9000 et seq.). The Public Cemetery District Law provides broad statutory authority for public cemetery districts to own, improve, expand, and operate public cemeteries.

The Piru Public Cemetery District was formed in 1914 and offers burial and other related services to the unincorporated community of Piru and environs. The District owns approximately 2.9 acres of land at 3580 Center Street in Piru. Less than half of this land is improved and operated by the District as the Piru cemetery. The remaining portion is an undeveloped hillside. The District provides burial services to residents and property owners in the District. The District does not have any employees, but contracts with private parties for maintenance, landscaping, and burial services. The District’s primary sources of revenue include a voter-approved \$25 annual special tax on all parcels within the District, fees for services, and a small portion of the 1% of property tax.

The District’s jurisdictional boundary covers approximately 75,147 acres and its sphere of influence includes approximately 47,933 acres (see Attachment 1). Approximately 27,000 acres

COMMISSIONERS AND STAFF

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Executive Officer Kai Luoma	Deputy Executive Officer Andrea Ozdy	Office Manager/Clerk Richelle Beltran	Legal Counsel Jeffrey Barnes

of the District's jurisdictional boundaries are located within the Los Padres National Forest. The Commission removed this area from the sphere of influence in 2007, as discussed below.

Background:

2007 Municipal Service Review (MSR) and Sphere of Influence Update

On May 16, 2007 the Commission accepted a MSR for the County's three public cemetery districts. Among the determinations concerning the Piru Public Cemetery District, the MSR noted that the District was out of compliance with requirements to prepare an annual budget, adopt an annual appropriations limit and prepare current financial reports. It also noted that the District was out of compliance with requirements to prepare an audit for the five fiscal years ended June 30, 2003 and that it did not have sufficient resources to pay for its previous audit. Further, the MSR determined that the District was reliant on volunteers to perform administrative, maintenance, landscaping and burial-related services and estimated that the cemetery would be at capacity within five years. Finally, the MSR noted that the terms of office of each member of the District board of trustees had expired in January 2005 and that the board was reliant on others for a regular meeting place and thus was probably not in compliance with Brown Act requirements relating to meeting notification and the conduct of meetings. Overall, the MSR concluded that the District did not have the financial resources necessary to maintain operations as an independent local governmental agency.

To address the deficiencies, the MSR recommended that the Ventura County Board of Supervisors should consider the process available in the Public Cemetery District Law (Health & Safety Code §9000 et seq.) to terminate the appointed District board of trustees and appoint itself as the board of trustees. Alternatively, the MSR recommended that LAFCo should initiate proceedings to dissolve the District if the Board of Supervisors were not to assume the governance role.

On September 19, 2007, the sphere of influence for the District was updated by removing territory located in Los Padres National Forest and nearby lands owned by the federal government.

2011-2013 Sphere of Influence Review

Staff initiated a sphere of influence review for the District in December 2011. At that time, staff discovered that certain governance issues were preventing the District from making progress toward resolving many of the deficiencies identified by LAFCo in the 2007 MSR for the Ventura County public cemetery districts. For example, the District had still not completed the five-year audit for fiscal years ended June 30, 2003. Upon consultation with the 3rd District County Supervisor's office (the District is located within the 3rd supervisorial district), staff postponed the sphere review to allow time for the Supervisor to work with the District to address the governance issue and to allow additional time for the audit to be completed.

The Commission reviewed the District sphere of influence in 2013. Since 2007, there had been some positive change with regard to the management and governance of the District. The outstanding balance due to the County Auditor-Controller for preparation of the audit for the five years ended June 30, 1998 was paid in full. In 2008, voters within the District approved a tax measure to allow for a \$25 annual parcel assessment over a 20-year period to fund cemetery improvements. The District board of trustees adopted a budget for Fiscal Year 2012-13. In addition, an audit of the District's financial statements for the five years ended June 30, 2003 was completed and an unqualified letter of opinion was issued. An audit of the financial statements for the five years ended June 30, 2008 was also nearing completion. The terms of office for the trustees were current and the board was conducting its meetings at the Piru Community Center.

Based on the evidence of positive progress coupled with a change in board leadership, the Commission made no changes to the sphere of influence to provide the District with additional time to continue in its efforts to become current with financial reporting (audit) requirements and to address the capacity issue by developing the adjacent 1.5 acres of vacant, District-owned land for potential cemetery expansion. In addition, the recommendation for the Board of Supervisors to consider the process available in the Public Cemetery District Law to terminate the appointed District board of trustees and appoint itself as the board of trustees was postponed.

2017-2021 Sphere of Influence Review

LAFCo staff initiated the second review of the District's sphere of influence in October 2017. However, in 2017 the District's board of trustees experienced substantial turnover, with four of its members being newly appointed by the County Board Supervisors. Apparently, the transition to the new board was fractious and many of the District's records from the previous board's tenure (to the extent that they existed) were not made available to the members of the new board and, as a result could not be provided to LAFCo staff. The review was postponed in anticipation of an audit that was nearing completion and to allow the District time to locate additional records.

- **January 2019 Commission Hearing**

The Commission considered the sphere of influence review in January 2019. Audits of the District's financial statements for fiscal years 2016 and 2017 were completed in June 2018; however, they were not provided to LAFCo until December. The audits indicated that the District appeared to be financially stable. The audits also indicated that although the District did adopt a formal budget for the then-current fiscal year (prepared with the help of the County), the District had not prepared or adopted formal budgets in previous years. The audits also revealed that the District was unable to provide documentation regarding the number of plot sales and burials. As noted in the 2007 MSR and the 2011-2013 sphere

review, the Piru cemetery was near capacity and the District planned to address the capacity issue by expanding into an adjacent 1.5-acre property owned by the District. However, the planned expansion had not occurred and, according to staff from an adjacent cemetery district who were providing assistance to the District, the steep terrain of the adjacent property made it unusable for burials without extensive grading and other improvements. According to the District, there were only 10 available plots left to sell at the cemetery, although no documentation or explanation of how the District arrived at this number was provided (staff understands that 10 plots constituted the remaining capacity of the cemetery and, according to the 2007 MSR, would accommodate approximately two years of demand).

The District was unable to provide basic records, such as agendas and adopted minutes for board meetings from previous years. It is unclear whether the District provided proper notice for board meetings or conducted meetings consistent with the Brown Act. The District did not maintain a website, and obtaining contact information was challenging. Certified mail sent to the District's office at the address on file with LAFCo was at times returned by the post office, and calls to the office phone number were unanswered during business hours. Contact with trustees was time consuming, occurring mostly via email, and days would sometimes go by without a response. Requests to set up meetings or phone calls were largely ignored.

The review was continued for six months to allow LAFCo staff time to explore available options for the District.

- July 2019 Commission Hearing

The matter was brought back for Commission consideration in July 2019. The Commission was presented with four options: 1) Termination of the District's board of trustees by the County Board of Supervisors and the appointment of the County Board of Supervisors as the District board of trustees (pursuant to a process outlined in Public Cemetery District Law), 2) consolidation of the District with other cemetery districts, 3) dissolution of the District and formation of a county service area to take over cemetery services, and 4) continuation of the District as is. Staff also recommended that the Commission adopt a provisional sphere of influence for the District, pursuant to Commission policies, indicating that the District should pursue restructuring options in order to address the deficiencies identified in the 2007 MSR.

Following public testimony by a District Trustee and a commitment by staff from County Supervisor Kelly Long's office to work with the District to address its deficiencies, the Commission directed that the matter be revisited in 18 months. The Commission also adopted a provisional sphere of influence for the District.

- March 2021 Commission Hearing

The matter was again brought back for Commission consideration in March 2021. The Board of Trustees had taken many steps to improve its financial management and oversight of the District with the assistance of the County Executive Office (CEO) and the Auditor-Controller's Office (ACO). The District board adopted a balanced budget, consistently reviewed financial reports at board meetings, conducted summary level quarterly financial reports and monthly financial monitoring provided by the CEO, and had submitted the required Special District Reporting documents to the State Controller's Office. The District's board of trustees had also been actively engaged with the County to identify and pursue plans for expansion. Potential options being explored included expansion into an adjacent hillside and/or removal of a portion of a paved roadway within the cemetery to make room for additional plots. The CEO, ACO, and staff from the Supervisor's office continued to assist with this effort. In addition, it appeared that the District had been generally complying with requirements regarding the conduct of public meetings. Meeting agendas were being prepared and meeting minutes adopted. The Board appeared to be meeting in a consistent location.

Based on the positive progress of the District, the Commission supported the continuation of the District under its current organizational structure to allow it to continue to work with the County to address the deficiencies previously identified.

Discussion:

Sphere of Influence Evaluation

Based on the work plan established by the Commission, an evaluation of the District's sphere of influence was to be initiated during 2022. LAFCo staff has reviewed multiple years of financial documents and consulted with the president of the board of trustees, staff from Supervisor Long's office, and staff from the CEO's office to discuss the District, to determine: (1) if the District has experienced any changes to its service needs or areas since LAFCo's most recent evaluation of its sphere of influence, and (2) if the staff anticipates any service changes that would warrant adjustment of the sphere boundaries. As explained in the analysis under Written Determinations below, it appears that the existing provisional sphere of influence boundary continues to reflect the District's current and probable service area. Therefore, no changes to the sphere of influence for the District are recommended.

Provisional Sphere of Influence

As mentioned, in 2019 the Commission adopted a provisional sphere of influence for the District, pursuant to the Commissioner's Handbook Section 4.2.2. The purpose of a provisional sphere of influence is to encourage the agency to consider restructuring or reorganization options and discuss alternatives to existing service provision to address issues and/or

recommendations identified in an MSR. Staff is recommending no changes be made to the provisional status of the sphere of influence because, though the District continues to demonstrate progress in addressing the deficiencies that lead to the provisional status, the District's capacity to continue to provide services in the near future is dependent upon capital expenditures and improvements that have yet to be made, as explained below. The provisional status of the sphere can be reevaluated as part of the next sphere of influence review, anticipated in 2027.

The sphere of influence review involving no changes is not subject to the California Environmental Quality Act (CEQA) because it "will not result in a direct or reasonably foreseeable indirect physical change in the environment" (CEQA Guidelines Section 15060(c)(2)).

Written Determinations

Government Code Section 56425(e) requires that, in determining the sphere of influence of an agency, the Commission consider and prepare a written statement of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* (Section 56425(e)(1))

The District's sphere of influence consists of a range of uses, including urban development within the unincorporated community of Piru, as well as agricultural and open space lands surrounding the community.

- (2) *The present and probable need for public facilities and services in the area.* (Section 56425(e)(2))

The District owns and operates the Piru Cemetery and offers burial and other related services to the unincorporated community of Piru and areas outside of Piru. The existing need for District services will remain, with continued demand for services expected.

- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* (Section 56425(e)(3))

The District capacity to continue to provide burial services beyond the next couple of years remains limited. According to the board of trustees president, the cemetery has three unsold full burial plots and four unsold cremation plots. However, the District is currently considering the purchase of a columbarium to allow for several above-ground cremation niches. In addition, the District is in the process of requesting assistance from the US Navy to grade the hillside adjacent to the cemetery to allow for the expansion of the cemetery.

With these improvements, the District will have the capacity to continue to offer its services for several years.

With assistance from the CEO and ACO offices, the District has adopted budgets for each of the last several years and is currently working through the required five-year audit. The board of trustees is meeting regularly and appears to be preparing agendas and meeting minutes.

In 2008 voters within the District approved Measure M, a special parcel tax of \$25 per year for 20 years to fund improvements at the cemetery. According to the County Elections Division, this measure became effective at the beginning of the 2009 fiscal year (July 1, 2009) and will, therefore, expire June 30, 2029. This parcel tax is currently the District's primary source of revenue.

- (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. (Section 56425(e)(4))*

The District's sphere of influence does not include territory that is known to be a community of interest. No disadvantaged unincorporated communities (defined in Government Code Section 56033.5 as communities having an annual median household income that is less than 80 percent of the statewide annual median household income) are located within or contiguous to the District's sphere of influence.

- (5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. (Section 56425(e)(5))*

The review of the District's sphere of influence is not considered an update (i.e., a modification) to the sphere. Additionally, no disadvantaged unincorporated communities are located within or contiguous to the District's sphere of influence.

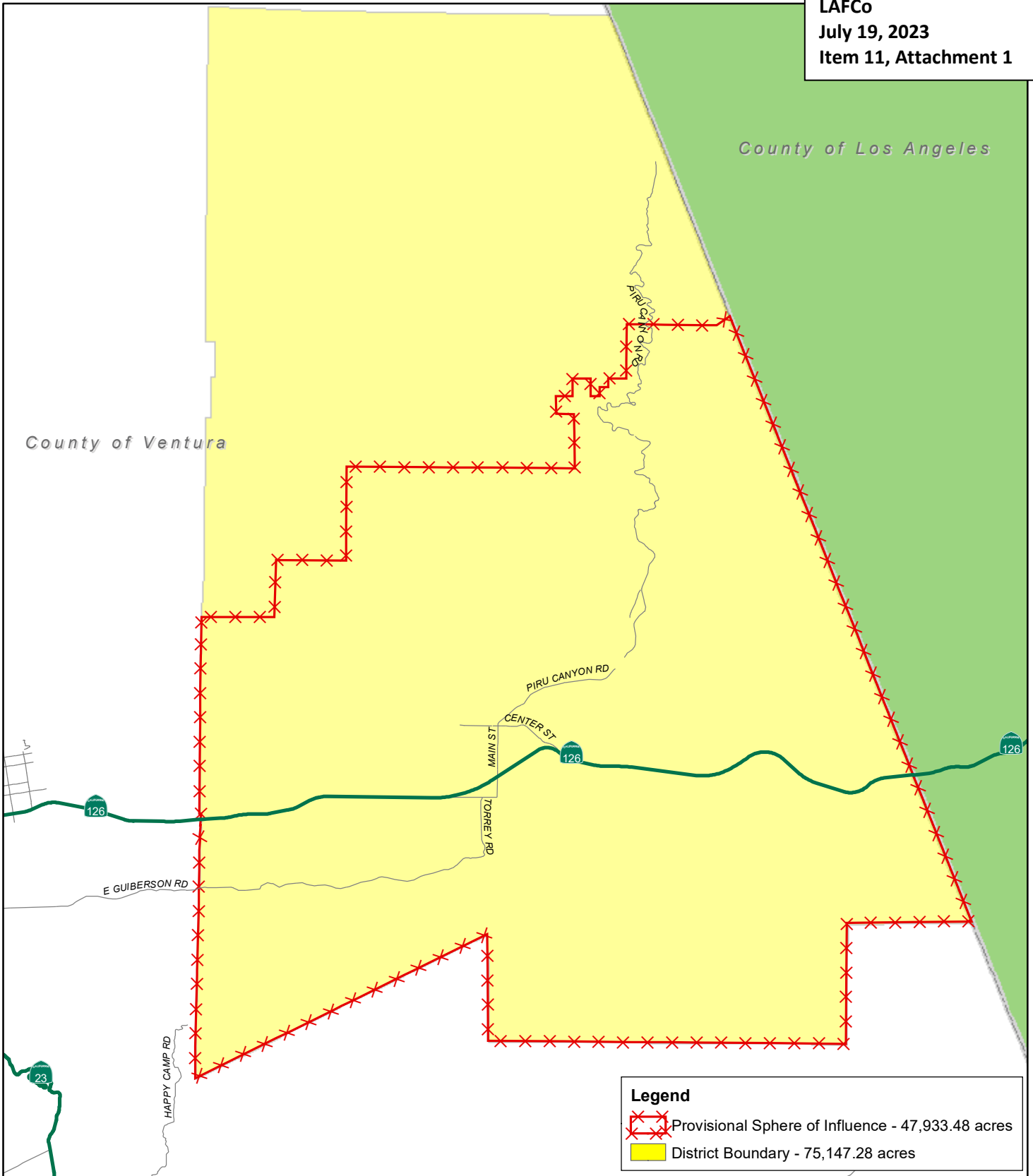
Notice of Public Hearing

This matter has been noticed as a public hearing pursuant to Government Code Section 56427. Additionally, all affected agencies have been notified of the public hearing.

Attachments:

1. Existing Sphere of Influence Map for the Piru Public Cemetery District
2. LAFCo 23-10S Resolution
3. Comment letter from Teresa Jordan, dated May 18, 2023

LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.



Piru Public Cemetery District

Current as of March 17, 2021

State Plane Coordinate System California Zone V - NAD 83

This map was compiled from records and computations

0 5,000 10,000 20,000

Feet



Prepared by County of Ventura
 IT Services Department - GIS Services

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LAFCO 23-10S

**RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION
COMMISSION MAKING DETERMINATIONS AND REVIEWING
THE SPHERE OF INFLUENCE FOR THE PIRU PUBLIC CEMETERY
DISTRICT**

WHEREAS, Government Code § 56425 et seq. requires the Local Agency Formation Commission (LAFCo or Commission) to develop and determine the sphere of influence of each local governmental agency within the County; and

WHEREAS, Government Code § 56425(g) requires that on or before January 1, 2008, and every five years thereafter, the Commission shall, as necessary, review and update the sphere of influence of each city and special district; and

WHEREAS, the Commission accepted the Municipal Service Review (MSR) report for the District dated May 16, 2007.

WHEREAS, the Commission updated (i.e., modified) the sphere of influence for the Piru Public Cemetery District (District) in 2007, reviewed (i.e., made no modifications to) the sphere in 2013, updated the sphere in 2019, and reviewed the sphere in 2021;

WHEREAS, the Commission desires to review the sphere of influence for the District; and

WHEREAS, no change in regulation, land use, or development will occur as a result of reviewing the sphere of influence for the District; and

WHEREAS, at the times and in the manner required by law, the LAFCo Executive Officer gave notice of the consideration of this item by the Commission; and

WHEREAS, the sphere of influence review item was duly considered at a public hearing on July 19, 2023, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony for and against the sphere of influence review including, but not limited to, the LAFCo Staff Report dated July 19, 2023, and recommendations; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Commission as follows:

- (1) The LAFCo Staff Report dated July 19, 2023, and recommended review of the sphere of influence for the District are adopted; and
- (2) The subject sphere of influence review is assigned the following distinctive short form designation:
LAFCO 23-10S PIRU PUBLIC CEMETERY DISTRICT SPHERE OF INFLUENCE REVIEW; and
- (3) An update (modification) to the sphere of influence for the District is not necessary; and
- (4) The Commission has considered the criteria set forth in Government Code § 56425(e) and determines as follows:

a. *The present and planned land uses in the area, including agricultural and open-space lands. (§ 56425(e)(1))*

The District's sphere of influence consists of a range of uses, including urban development within the unincorporated community of Piru, as well as agricultural and open space lands surrounding the community.

b. *The present and probable need for public facilities and services in the area. (§ 56425(e)(2))*

The District owns and operates the Piru Cemetery and offers burial and other related services to the unincorporated community of Piru and areas outside of Piru. The existing need for District services will remain, with continued demand for services expected.

c. *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. (§ 56425(e)(3))*

The District capacity to continue to provide burial services beyond the next couple of years remains limited. According to the board of trustees president, the cemetery has three unsold full burial plots and four unsold cremation plots. However, the District is currently considering the purchase of a columbarium to allow for several above-ground cremation niches. In addition, the District is in the

process of requesting assistance from the US Navy to grade the hillside adjacent to the cemetery to allow for the expansion of the cemetery. With these improvements, the District will have the capacity to continue to offer its services for several years.

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d. *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency. (§ 56425(e)(4))*

The District's sphere of influence does not include territory that is known to be a community of interest. No disadvantaged unincorporated communities (defined in Government Code Section 56033.5 as communities having an annual median household income that is less than 80 percent of the statewide annual median household income) are located within or contiguous to the District's sphere of influence.

e. *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. (§ 56425(e)(5))*

The review of the District's sphere of influence is not considered an update (i.e., a modification) to the sphere. Additionally, no disadvantaged unincorporated communities are located within or contiguous to the District's sphere of influence.

- (5) The sphere of influence for the District is hereby reviewed and is generally depicted in Exhibit A, "Piru Public Cemetery District," attached hereto; and
- (6) LAFCo staff is directed to have the official Geographic Information System (GIS) sphere of influence data maintained for the Ventura LAFCo by the Ventura County Information Technology Services Department as the official sphere of influence record for the District updated consistent with this action.

This resolution was adopted on July 19, 2023.

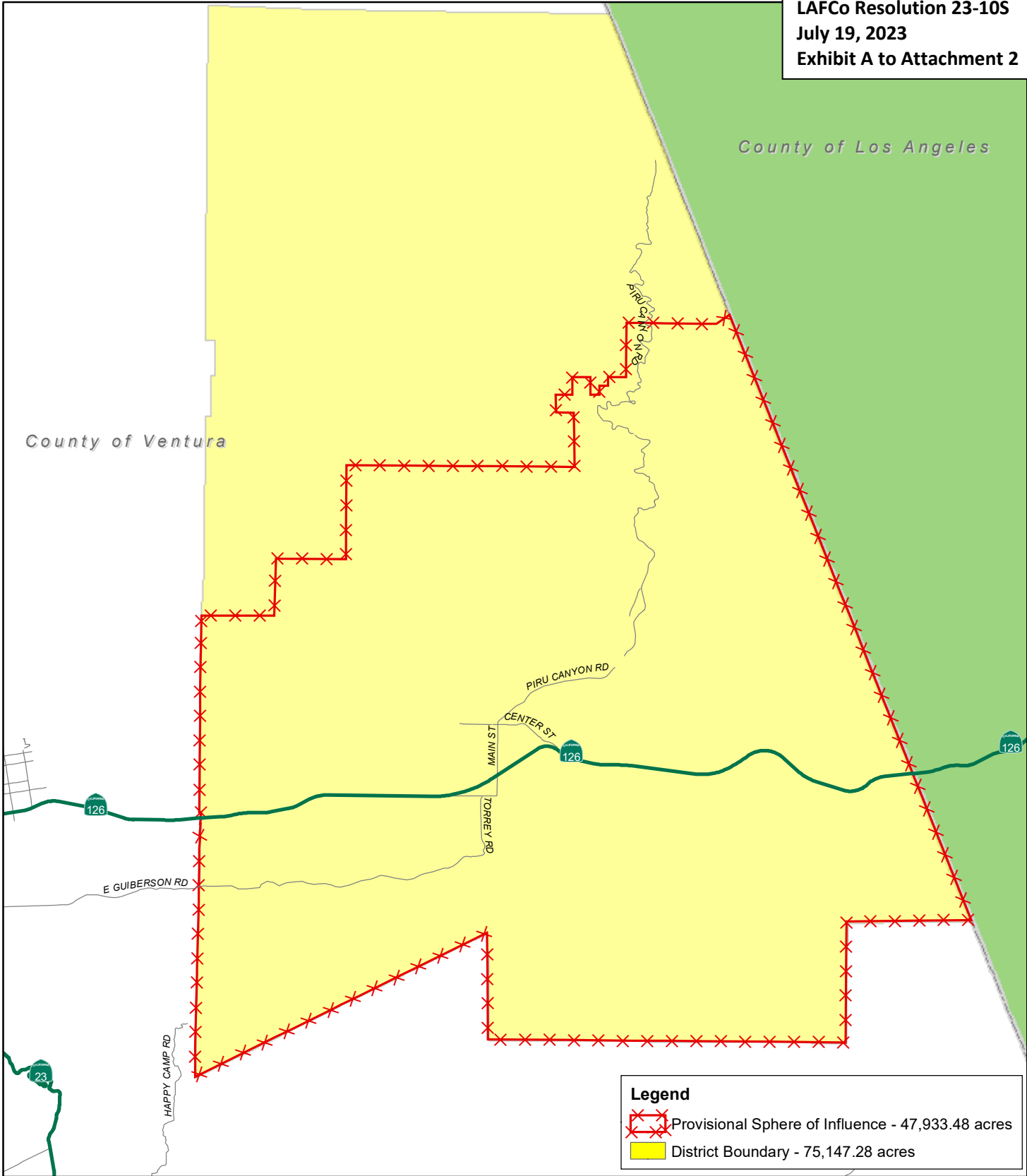
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Alt. Commissioner Santangelo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7-19-23
Date

Pat Richards
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

c: Piru Public Cemetery District
Ventura County Information Technology Services Department



Piru Public Cemetery District

Current as of March 17, 2021

State Plane Coordinate System California Zone V - NAD 83

This map was compiled from records and computations

0 5,000 10,000 20,000



Prepared by County of Ventura
 IT Services Department - GIS Services

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