



Municipal Service Reviews and Sphere of Influence Updates

County Wide Independent Public Cemetery Districts

LAFCO 2025-03-1,2,3,4 & 5

Public Review Draft Report

January 30, 2025

This Public Review Draft MSR Report is being circulated for comments by all agencies and members of the public wishing to provide comments for review and consideration for inclusion in the Public Hearing Draft MSR Report to be considered by the Riverside LAFCO Commission in April.

All comments are requested to be provided to LAFCO no later than February 28, 2025. Additional comments received after that date will be included as part of the public hearing process in March.

Comments can be submitted by email at info@lafco.org, or mailed/delivered to the LAFCO office- 6216 Brockton Ave, Suite 111-B, Riverside, CA 92506

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I. EXECUTIVE SUMMARY

California state law establishes Local Agency Formation Commissions (LAFCOs) within each county for the purpose of establishing boundaries and spheres of influence (SOIs) for cities and special districts under their purview, and to authorize the provision of services within the approved service areas. This report prepared by Riverside LAFCO (LAFCO) contains Municipal Service Reviews (MSR) on the eight independent Public Cemetery Districts within Riverside County (County). An MSR is a state required comprehensive study of services within a designated geographic area. The service review requirement is codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), Government Code section 56000 et seq. The intent of this MSR is to conduct comprehensive Sphere of Influence (SOI) updates for each of the subject Public Cemetery Districts. The proposed MSR and SOI Update determinations are located at the end of each Public Cemetery District's Chapter in this report, with recommended SOI updates in this Executive Summary.

In the early years of the state, small cemeteries simply grew by the need of communities for burial grounds. By the turn of the century, however, many had fallen into disrepair; citizens became outraged over the gross neglect suffered by many of these unfunded cemeteries. In 1909 the enabling act creating public cemetery districts was adopted. The purpose was to assure the respectful and cost-effective interment of human remains to meet the cultural, economic, religious and social needs of California's diverse communities. There are over 265 public cemetery districts in California.

Public Cemetery District formations transitioned in the 1920s under the Health and Safety Code to provide a place of interment at a low cost to local residents, funded by property tax assessments received from either a residence or business and governed by County appointed citizens.

All public cemetery districts now operate under Health and Safety Code Section 9000 et seq. General powers and functions include maintaining public cemeteries in communities as necessary, formations of any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous, however districts may not overlap, and 3 or 5 Trustees, appointed by the Board of Supervisors to fixed four year terms.

All public cemeteries are required to maintain an Endowment (Permanent) Fund for purposes of retaining financial resources for the long term maintenance and operations of the cemeteries. These funds are provide through fees paid to the fund with the sale of interment spaces. Funds may only be spent from interest accrued on principle amounts in the fund for operations and maintenance.

Public Cemetery Districts Reviewed

The eight Public Cemetery Districts being reviewed in this MSR have not had an MSR analysis performed since 2005/2006 timeframe, or ever, for the services being reviewed.

The Public Cemetery Districts considered in this MSR and SOI Update are listed in **Table I-1**, below:

Table I-1, Public Cemetery District List/Locations

COMMUNITY SERVICE DISTRICT	LOCATION
Coachella Valley Public Cemetery District (CVPCD)	Cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert, as well as parts of Rancho Mirage and unincorporated Riverside County
Elsinore Valley Cemetery District (EVCD)	Cities of Lake Elsinore and Canyon Lake and the unincorporated areas to the southwest and north of the City of Lake Elsinore
Murrieta Valley Cemetery District (MVCD)	City of Murrieta and several large unincorporated areas to the southwest of the Cities of Murrieta, Temecula and Wildomar, including La Cresta, Santa Rosa Plateau and De Luz
Palm Springs Cemetery District (PSCD)	Cathedral City, Desert Hot Springs, North Palm Springs, Palm Springs, Sky Valley, Thousand Palms, most areas of Rancho Mirage and unincorporated areas to the north to the San Bernardino County Line and to the south to the San Diego County line.
Palo Verde Cemetery District (PVCD)	City of Blythe and unincorporated areas between San Bernardino and Imperial County lines and the state border with Arizona and a large portion of the Mohave Desert
San Jacinto Valley Cemetery District (SJVCD)	Cities of San Jacinto and Hemet and large unincorporated areas east of the cities, south of Hemet, and the Valle Vista, Winchester and a portion of the Homeland communities.
Summit Cemetery District (SCD)	Cities of Banning, Beaumont and Calimesa, and the unincorporated communities of Cabazon and Cherry Valley and east to North Palm Springs, and west to County Line Road in Calimesa
Temecula Public Cemetery District (TPCD)	City of Temecula and unincorporated areas along Rancho California Road

Municipal Service Review Determinations

CKH requires LAFCOs to review and update SOIs not less than every five years and to conduct municipal services reviews before updating SOIs. The service reviews provide LAFCOs with a tool to study existing and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

Government Code section 56430 requires LAFCOs to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by commission policy.

The MSR process does not require LAFCOs to initiate changes of organization based on service review findings. It only requires that LAFCOs make determinations regarding the provision of public services per Government Code section 56430. MSRs are not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15306.

CEQA Guidelines Section 15306 consists of “basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded.” The ultimate outcome of conducting a service review, however, may result in LAFCOs making recommendations on a change of organization or reorganization.

Sphere of Influence Determinations

In 1972, LAFCOs were given the power to establish SOIs for all local agencies under their jurisdiction. As defined by CKH, “a ‘sphere of influence’ means a plan for the probable physical boundaries and service area of a local agency, as determined by the

commission” (Government Code section 56076). SOIs are designed to both proactively guide and respond to the need for the extension of infrastructure and delivery of municipal services to areas of emerging growth and development.

The requirement for conducting MSR was established as an acknowledgment of the importance of SOIs and recognition that periodic reviews and potential updates of SOIs should be conducted. LAFCOs are required to make five written determinations in accordance with Government Code section 56425 when establishing, amending, or updating an SOI for any local agency that address the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Public Cemetery District Sphere of Influence Update Recommendations

The proposed MSR and SOI Update determinations are located at the end of each Public Cemetery’s Chapter in this report. The recommended SOI Updates for each Public Cemetery are provided below. Each SOI recommendation and additional current or future options are discussed in greater detail in each agency’s analysis further in the report.

Coachella Valley Public Cemetery District- Maintain the current SOI including authorization for the following two adjustments: 1) Remove the three areas within CVPCD’s SOI adjacent to the City of Rancho Mirage east and south, currently in the PSCD jurisdictional boundary, and 2) remove the one area which is included in the SOI for PSCD on the west side of the District but within CVPCD’s jurisdictional boundary.

Elsinore Valley Cemetery District- Maintain the current SOI.

Murrieta Valley Cemetery District- Maintain the current coterminous SOI.

Palo Verde Cemetery District- Maintain the current coterminous SOI.

Palm Springs Cemetery District- Maintain the current SOI including authorization for the following two adjustments: 1) Remove the three areas within CVPCD’s SOI adjacent to the City of Rancho Mirage east and south, currently in the PSCD jurisdictional

boundary, and 2) remove the one area which is included in the SOI for PSCD on the west side of the District but within CVPCD's jurisdictional boundary.

San Jacinto Valley Cemetery District- Maintain the current SOI with the following adjustment: Remove the one area within the District jurisdictional boundary adjacent to the City of Beaumont that is currently in the Summit Cemetery District SOI. Additionally, authorize a recommendation that the District formally submit an application for an SOI expansion with the appropriate mapping denoting the specific boundaries of potentially including the communities of Idyllwild, Anza, Aguanga and Sage currently serviced by SJVCD at this time under the non-resident fee program.

Summit Cemetery District- Maintain the current SOI with the following two adjustments: 1) Remove the area within SCD's SOI just south of the City of Beaumont that is currently in the San Jacinto Valley Cemetery District (SJVCD) jurisdictional boundary and 2) Remove the area within the Palm Springs Cemetery District (PSCD) that is within the southeast corner of SCD's jurisdictional boundary.

Temecula Public Cemetery District- Maintain the current SOI with a recommendation that the District formally submit an application for an SOI expansion with the appropriate mapping denoting the specific boundaries of the proposed expanded SOI.

II. INTRODUCTION

In 1997, the State Legislature convened a special commission to study and make recommendations to address California's rapidly accelerating growth. The Commission on Local Governance for the 21st Century (LG) focused their energies on ways to empower the already existing LAFCOs, originally established in 1963.

The LG Commission's final report, *Growth Within Bounds*, recommended various changes to local land use laws and state LAFCOs statutes. Assembly Speaker Bob Hertzberg, in 2000, incorporated many of the recommendations of the Commission into Assembly Bill 2838, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The law provided LAFCOs with additional powers and responsibilities.

Beginning in 2001, LAFCOs in each county in California were required to review and, as necessary, update the SOI of each city and special district. SOIs are boundaries, determined by LAFCOs, which define the logical, ultimate service area for cities and special districts. No SOI can be updated, however, unless LAFCOs first conduct an MSR.

Historically, MSRs and SOI updates have been sporadic at best and not performed as intended by the statutes. Although LAFCO completed an initial round of MSR/SOI updates after the initial requirements were implemented, updates have occurred somewhat sporadically since, with some agencies not having had an MSR or SOI update in 15 years or more. As part of the Five-Year Strategic Plan adopted in January of 2020, a schedule was developed to bring these agencies current with respect to the statutes governing these reviews. The new Five-Year Strategic Plan adopted in June of 2024 continues with the schedule of the five-year MSR/SOI review and update process.

Combined Municipal Service Review and Sphere of Influence Update

An MSR is a comprehensive study of services within a designated geographic area prior to completing an SOI update. The SOI update and requisite MSR is required to be performed every five years or as necessary. The intent of this MSR is to conduct SOI updates for each of the subject independent Public Cemetery Districts. The Public Cemetery Districts have generally not been subject to an MSR or SOI Update since 2005/2006 timeframe, with the exception of one district that was updated in 2017.

The proposed MSR and SOI Update determinations are located at the end of each Public Cemetery District's Chapter in this report, with recommended SOI updates in the Executive Summary. This report will address the eight Public Cemetery Districts listed in **Table II-1** on the following page:

Table II-1- Community Service District List/Services Provided

COMMUNITY SERVICE DISTRICT	AUTHORIZED SERVICES
Coachella Valley Public Cemetery District	Casket Burials, Columbarium Options/Niches
Elsinore Valley Cemetery District	Casket Burials, Cremation Interments, Niche Wall Interments
Murrieta Valley Cemetery District	Casket/Cremation Burials, Niche Columbarium
Palm Springs Cemetery District	Casket & Cremation Burials, Cremation Niches, Infant Plots
Palo Verde Cemetery District	Burials and Cremation Niches
San Jacinto Valley Cemetery	Casket & Ashes Burials, Cremation Niche Wall
Summit Cemetery District	Casket & Ashes Burials, Cremation Niche Wall
Temecula Public Cemetery District	Casket Burials, Cremation, Graveside & Committal Services

Municipal Service Reviews

SOIs are boundaries, determined by LAFCOs, which define the logical, ultimate service area for cities and special districts. No SOI can be updated, however, unless LAFCOs first conduct an MSR. MSRs evaluate how agencies currently provide municipal services within their agency service area and evaluate the impacts on those services from future growth and other changes that may occur over the next 10 to 20 years. The MSR report is also required to identify potential opportunities to address any shortfalls, gaps, and/or impacts on services and governmental structure that may currently exist or are anticipated in the future.

The MSR process does not require LAFCOs to initiate changes of organization based on service review findings. California Government Code section 56430 does require, however, that LAFCOs, upon receipt and consideration of an MSR, adopt written determinations addressing each of the following areas:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.

6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by commission policy.

Spheres of Influence Updates

An SOI is an approved plan by LAFCOs that designates an agency's probable future boundary and service area. SOIs are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Territory cannot be annexed by LAFCOs to a city or a district unless it is within that agency's SOI. The purposes of the SOI include the following: to ensure the efficient provision of services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCOs cannot regulate land use, dictate internal operations or administration of any local agency, or set rates. However, LAFCOs are empowered to enact policies that indirectly affect land use decisions. On a regional level, LAFCOs promote logical and orderly development of communities as it considers and decides individual proposals. LAFCOs have a role in reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of current and future area residents and property owners.

LAFCOs are empowered to adopt, update and amend any agency's SOI. They may do so with or without an application, and any agency or interested person may submit an application proposing an SOI amendment. LAFCOs may recommend government reorganizations to particular agencies in their county, using the SOIs as the basis for those recommendations.

LAFCOs are required to make five written determinations in accordance with Government Code section 56425 when establishing, amending, or updating an SOI for any local agency that address the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.
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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Disadvantaged Unincorporated Communities

On October 7, 2011, Governor Jerry Brown signed SB 244, which made two principal changes to CKH. SB 244 requires LAFCOs to: (1) deny any application to annex to a city territory that is contiguous to a disadvantaged unincorporated community (DUC) unless a second application is submitted to annex the disadvantaged community as well; and (2) evaluate disadvantaged unincorporated communities in an MSR upon the next update of an SOI after June 30, 2012. The intent of the statute is to encourage investment in DUCs that often lack basic infrastructure by mandating cities to include them in land use planning, and LAFCOs when considering annexation proposals. SB 244 defines a DUC as any area with 12 or more registered voters, or as determined by commission policy, and where the median household income is less than 80 percent of the statewide annual median household income.

Although DUCs are applicable primarily to cities, it is important to consider them with respect to services provided by special districts, in particular those special districts that provide water, wastewater and fire protection services. However, districts providing other services into a DUC warrant being identified and reviewed.

MSR Approach and Review Opportunities

A collaborative approach has been used throughout the preparation of this MSR/SOI update report. Initially, an introductory letter was sent to each Public Cemetery District advising them of the upcoming MSR/SOI process. All information readily available in historical files or on each Public Cemetery District's website was reviewed for applicability to the MSR/SOI update technical analysis and report. Any information missing or requiring clarification was then sent to each Public Cemetery District in the form of a questionnaire, requesting the information/clarification. Follow up on the responses to the questionnaire were performed when necessary.

Once an agency's information in hand was considered sufficient to develop the MSR/SOI update report, their specific Chapter of the overall report was generated and then sent to the specific Public Cemetery District for their review, comments, and any additional input they desired to be included. Any comments received were considered, incorporated where appropriate, and finalized. After finalization of all of the Public Cemetery District's Chapters, the Public Review Draft report was made available for publication and comments by the public and any agency/organization. A Public Hearing MSR/SOI Update report is then generated addressing any comments received during the public review process and scheduled for a noticed public hearing before the LAFCO Commission. Additional comments will be taken during the public hearing and addressed. Upon final action taken by the LAFCO Commission for the MSR and SOI recommendations & determinations, a Final Report incorporating any revisions and/or direction provided by the LAFCO Commission will be completed and published. Any SOI recommendations and/or determinations not adopted with the MSR will be brought back to the Commission at a subsequent public hearing for final SOI adoption.

III. BACKGROUND

Riverside County Overview

Riverside County encompasses more than 7,300 square miles, roughly 180 miles across from Los Angeles and Orange Counties in the West to the Arizona border. Riverside County also borders San Bernardino, San Diego and Imperial Counties. Riverside County is the fourth largest county in California in both size and population.

Riverside County is one of two counties that comprise the “Inland Empire” portion of the Southern California Association of Governments (SCAG) Metropolitan Planning Area. Between 2015 and 2040, as projected in SCAG’s 2016 Regional Transportation Plan, the SCAG region has been projected to add approximately 3.8 million people, increasing the total regional population to approximately 22.1 million. This represents an increase of approximately 17%. This growth means that the SCAG region will continue to be California’s second-largest population and economic center. During this same period, the number of households is expected to increase by approximately 1.6 million to 7.6 million in the SCAG region. There are currently 28 cities, 55 independent special districts, and 42 county service areas within the County. County population growth is anticipated to increase by 20% during the 2020 to 2040 forecast period. Refer to **Table III-1** below:

Table III-1 Riverside County Population, Employment and Housing Projections-2020-2040

<u>Category</u>	<u>2020</u>	<u>2040</u>	<u>Growth 2020-2040</u>	<u>Percent Change</u>
Population	2,449,299	2,933,038	483,739	+20%
Employment	1,057,900	1,174,500	116,600	+11%
Households	724,893	1,086,000	361,107	+50%

Source: Calif Dept of Finance, SCAG, Riverside County

During a two-year period from 2020-2021, the COVID-19 pandemic placed significant economic burdens on all local governments to fund services. As the County continues emergence from the pandemic, it remains to be seen how adequate of a recovery is realized with respect to growth. Overall the County continues to experience growth and the increasing challenge of meeting state mandated demands for increased housing.

Riverside County Public Cemetery Districts

A special district is a separate local government that delivers a limited number of public services to a geographically limited area. Special districts have four distinguishing characteristics. They are a form of government, have governing boards, provide services and facilities, and have defined boundaries. Most special districts such as water and wastewater districts, cemetery districts, mosquito and vector control districts, fire protections districts, etc., provide just one or two services.

Public Cemetery Districts generally provide several types of interment and other related services that are authorized under the state Health & Safety Code section 9000 et. seq. Services specifically authorized to be provided are generally identified at formation of the Public Cemetery District and as authorized under the statute.

There are eight independent Public Cemetery Districts within Riverside County.

Coachella Valley Public Cemetery District encompasses the Cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert, as well as parts of Rancho Mirage and unincorporated Riverside County.

Elsinore Valley Cemetery District encompasses the Cities of Lake Elsinore and Canyon Lake and unincorporated areas to the north and southwest of the City of Lake Elsinore.

Murrieta Valley Cemetery District encompasses the City of Murrieta and large unincorporated areas to the southwest of the Cities of Murrieta, Temecula and Wildomar, including La Cresta, Santa Rosa Plateau and De Luz.

Palm Springs Cemetery District is located within the Cities of Cathedral City, Desert Hot Springs, Palm Springs, most areas of Rancho Mirage, and unincorporated areas of North Palm Springs, Sky Valley, Thousand Palms, and areas to the north to the San Bernardino County Line and to the south to the San Diego County line.

Palo Verde Cemetery District is located within the City of Blythe and large unincorporated areas east to the state line, north and south to the San Bernardino County and Imperial County borders respectively, and west covering most of the Mohave Desert.

San Jacinto Valley Cemetery District encompasses the Cities of San Jacinto and Hemet and large unincorporated areas east of the cities, south of Hemet, and the Valle Vista, Winchester and a portion of the Homeland communities.

Summit Cemetery District is located in the Cities of Banning, Beaumont and Calimesa, and the unincorporated communities of Cabazon and Cherry Valley and east to North Palm Springs, and west to County Line Road in Calimesa.

Temecula Public Cemetery District is located in the City of Temecula and large unincorporated areas east of the city along Rancho California Road.

Covid-19 Pandemic

During the two-year period of 2020-2021 of the COVID-19 virus pandemic, the virus had exponentially spread throughout the world and the United States, resulting in the infection of large segments of populations in all states, including California. Additionally, the death rate from the virus was significantly greater than previous Covid type viruses with no immediate treatment remedies nor vaccines available.

The state implemented several measures to attempt to control the spread of the virus including a statewide stay-at-home order, alternating shutdowns and partial re-openings of many parts of the economy. The impact on the economy, in particular small businesses and employment, was massively significant. As a result, with the economic downturn, local governments began seeing significant decreases in various revenues and in many cases, service impacts. In the case of the Public Cemetery Districts, the epidemic did result in increases in workload due to the high mortality rate associated with the disease.

Although federal stimulus funding was provided to local governments to assist in offsetting some revenue losses, special districts were not included in most of the initial funding that was authorized in 2021 for recovery purposes. Public Cemetery Districts rely on some property tax revenues for partially funding general administrative and maintenance operations and are generally unaffected to a great extent by economic downturns unless property values are significantly impacted. However, as services provided by Public Cemetery Districts are largely funded by service charges to customers/clients, these districts economically maintained financial stability throughout the pandemic.

IV. PUBLIC CEMETERY DISTRICT PROFILES & MSR/SOI DETERMINATIONS

This section provides individual profiles for each of the eight independent Public Cemetery Districts. Each individual Public Cemetery District profile provides:

- A brief background/history of the agency
- A general profile of agency services, infrastructure, and financial information
- A boundary map with a sphere of influence boundary overlay
- A detailed discussion of agency operations and finances
- Recommended MSR Determinations
- Recommended SOI Determinations

Chapter 1- Coachella Valley Public Cemetery District

OVERVIEW / BACKGROUND

The Coachella Valley Public Cemetery District (CVPCD or District) was officially formed in 1927 as a special district in accordance with the State of California Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. The District encompasses approximately 2,242,672.7 acres (3,502.4 sq. mi.) including the cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert, as well as parts of Rancho Mirage and unincorporated Riverside County. Population served is estimated by the District at approximately 261,194 in 2023.

Historical Information (California Association of Public Cemeteries and CVPCD Websites)

“In the early years of the state, small cemeteries simply grew by the need of communities for burial grounds. By the turn of the century, however, many had fallen into disrepair; citizens became outraged over the gross neglect suffered by many of these unfunded cemeteries. In 1909 the enabling act creating public cemetery districts was adopted. The purpose was to assure the respectful and cost-effective interment of human remains to meet the cultural, economic, religious and social needs of California’s diverse communities.

CVPCD was formed in 1927 by the Riverside County Board of Supervisors acting on a petition by the registered voters within the District boundaries to form the District. The District since that time has performed over 24,000 interments/burials and has set over 15,000 headstones/grave markers. CVPCD is one of over 265 public cemetery districts in California.”

Mission Statement:

“Within the parameters of our authority, resources, and ability, our mission is to provide the needs of those we serve an attractive, safe, and serene environment for our community and staff. In providing this, it is also our mission to do this in the most effective manner possible.”

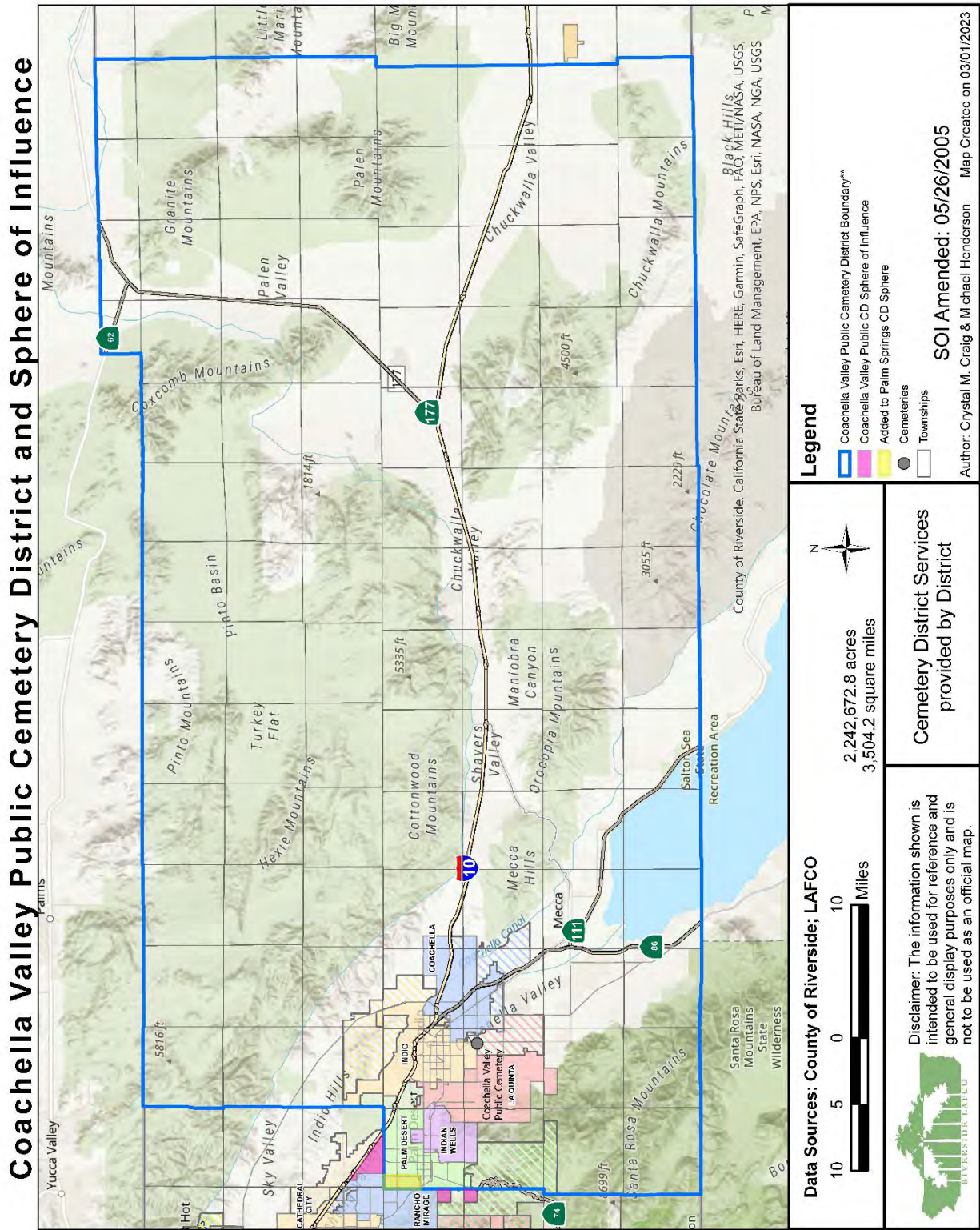
CVPCD provides services to residents outside of its service boundary under a surcharge to the regular District fees. CVPCD’s sphere of influence is primarily coterminous with its current service boundary with three (3) small adjacent SOI areas on the western portion of the District.

On the following pages, **Table 1-1** provides a snapshot profile of CVPCD, and **Figure 1-1** provides a map of the District’s current boundary and SOI.

Table 1-1- Profile- Coachella Valley Public Cemetery District

General Information			
Agency Type	Municipal – Public Cemetery District		
Principal Act	California Health & Safety Code Section 9000 et. seq.		
Date Formed	1927		
Services Provided	Casket Burials, Columbarium Options		
Location	Cemetery & Facility location: 82-925 Avenue 52, Coachella, CA 92236 (760) 398-3221		
Sq. Miles/Acres	Approximately 2,242,672.7 Acres (3,504.2 sq. miles) service area. Cemetery – 60 acres		
Contact	Joshua Bonner, General Manager Josh.Bonner@cvpcd.org		
Website	www.cvpcd.org		
Population Served	Estimated 261,194		
Last SOI Update	2005		
Governance/Staffing			
Governing Body	5-member Board of Trustees, appointed by the Riverside County Board of Supervisors		
Terms	4-year staggered terms		
Meeting Information	2nd Friday of the month at 8:00am at the District Executive Building, 82-847 Avenue 52, Coachella, CA 92236		
Total Staff	Approximately 12 employees (augmented with contract Counsel)		
Staff Categories	General Manager, Management & Admin Support, Groundskeepers		
Facilities/Other Infrastructure			
Facilities	Administrative, Executive Office/Trustee Board Chamber, Maintenance Buildings		
Other Infrastructure	29 acre developed cemetery, 31 acres available for future use		
Financial Information- FY 22/23 Actuals (Audited Financial Statements)			
	Revenues	Expenditures	Net Surplus/(Deficit)
General Fund	\$3,037,657	\$3,047,886	(\$10,229)
Capital Fund	\$993	\$572	\$421
Endowment Fund	\$451,924	\$18,611	\$433,313
Combined Funds	\$3,490,574	\$3,067,069	\$423,505
	FY 22/23	Long Term Planned Expenditures	
Capital Expenditures	\$192,609	\$1,005,200 over a 9 year period.	
General Fund Balance	\$5,267,882	June 30, 2023 Financial Statement	
Capital Fund Balance	\$33,575	June 30, 2023 Financial Statement	
Endowment Fund Balance	\$8,882,832	June 30, 2023 Financial Statement	
Unrestricted Net Assets	\$3,648,876	June 30, 2023 Financial Statement	
Capital Assets (Net)	\$2,065,834	June 30, 2023 Financial Statement	
Net Position (Combined)	\$14,579,401	June 30, 2023 Financial Statement	
Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2023			
Long Term Debt	\$40,504- Compensated Absences and Lease Obligation		
Unfunded Pension Liability	\$924,338		
Unfunded OPEB Liability	\$829,245		
Notes			

Figure 1-1- Boundary/SOI Map – Coachella Valley Public Cemetery District



GROWTH AND POPULATION PROJECTIONS

CVPCD currently serves an estimated population of approximately 261,194 over a geographical area of approximately 3,504 square miles. The District encompasses the Cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert, as well as parts of Rancho Mirage and unincorporated Riverside County. The District's service area most likely has potential for growth most notably within the cities serviced and the large unincorporated areas in the District.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the combined Cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert population to increase by 10.9% over the next 20 years, with some population growth in the surrounding unincorporated areas. The District anticipates most of the growth will occur in the eastern portion of the district within the Cities of Coachella, and Indio and the unincorporated areas to the east within the District.

ACCOUNTABILITY AND GOVERNANCE

Governance

CVPCD is governed by a five-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The CVPCD Board of Trustees meets every 2nd Friday of the month at 8:00am at the District Executive Building located at 82-847 Avenue 52, Coachella, CA 92236. The District's Board of Trustees consists of a Chair, Vice Chair, and three (3) Trustees. There are no current vacancies on the Board. All ethics and Form 700 filings are current.

<u>CVPCD Board of Trustees</u>	<u>Term Expires</u>
John Rios	2027
Bruce Underwood, Dr. P.H. C.N.S.	2027
Ernesto Rosales	2027
Marco Coronel, Jr.	2025
Judy Vossler	2028

The District does not identify any permanent standing committees, however utilizes ad hoc committees as deemed appropriate to address specific items of interest. The District maintains a detailed policy on the establishment and operations of either of these types of committees.

Website Transparency

In general, the CVPCD website is well organized and hosts a wide variety of information regarding the cemetery services provided by the District. Information provided includes announcements for any special event that may occur at the cemetery, a burial search portal a very detailed listing of the fees charged for the various burial options available for selection, burial schedule and detailed policies and procedures for utilization of the cemetery property. The website also includes significant amounts of information and frequently asked questions on services and facilities.

Meeting agendas are posted on the District's website, however, no written staff reports if existing. Board minutes are also posted after approval. Video recordings of Board meetings are also posted, available for on-demand playback through the District's YouTube channel. The website contains direct email addresses to contact Board members for direct access. There are no direct email addresses for District management staff. All staff email contact is through the District email which is included on the website. Pertinent financial information for the District including budgets and annual audits are included on the district website, including significant policy, cemetery regulations and other informative documents are available. Staff compensation information is also available on the District website.

Customer/Constituency Communication

CVPCD Board of Trustees members attend different community meetings and events to represent the District, and the District informs constituents, patrons, and customers of activities, services through several outlets as noted by the District:

Website – The District website is updated regularly for important announcements, annual calendars, event details, interment schedules and other important notices and information. The website also contains important governance documents which were a key component to the District earning the Special District Leadership Foundation (SDLF) Transparency Award.

Social Media – Facebook is the District's primary social media channel to communicate with the public. Regular posts and a scrolling feed widget are embedded on our website's home page.

Advertising & Media Relations – The District contracts with a public relations consultant to coordinate press releases, advertising campaigns and marketing efforts.

Monthly Email Blast – The District sends out monthly email updates to its subscribers via the Constant Contact platform. The signup links are prominently posted on the District website's homepage, shared by staff during in-person appointments, and shared via social media. The monthly email blasts contain important information for the upcoming month, including 'no-mow' days, holiday closings, changes to cemetery visiting hours (seasonal) and other important news.

Quarterly Newsletter – The District publishes a quarterly digital newsletter with important updates, news and general information regarding the District. The newsletter is available through the website and distributed via email subscription and social media.

The District's approach to employee communication is based on an ongoing communication loop model, which emphasizes continuous and interactive communication between the organization and its employees. Managers meet regularly with their teams and employees as follows:

Weekly - Team Meetings

Monthly - Employee One-on-One Meetings

Annually – Employee Reviews and Feedback Surveys

Customer/Constituency Accountability

CVPCD informs constituents, patrons, and customers of activities and services primarily through their website. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons. The District notes that customers have several available options to reach District staff and governance, all of which are monitored.

Website (Staff) – The website features a “Get In Touch” section that allows customers to form-fill their message directly to us. These messages are routed to our general customer service email, which is monitored during normal business work hours by staff.

Email (Staff) – Customers may email the District directly at info@cvpcd.org. This email address is available on the District website in many locations, including the home page, as well as social media listings.

Phone (Staff) – The District customer service line is answered Monday through Friday (closed on major holidays), 8 a.m. to 5 p.m. by staff. The VOIP phone system allows for multiple lines (calls) at once, internal call forwarding, and an after-hours voicemail. The automated phone menu is voiced in both English and Spanish. Cemetery Services staff is 100% bilingual (English and Spanish).

In-Person (Staff) – The District Administrative office is open Monday through Friday (closed on major holidays), 8 a.m. to 5 p.m. each day. The office is open for walk-in inquiries.

Other (Staff) – Some customers prefer communicating with staff through other channels, such as Facebook Messenger, Google Submissions, etc. District staff strives to actively monitor these sites and respond promptly when these are received.

Email (Board of Trustees) – Board of Trustees members may be reached by email. Their individual emails are listed on the District website. District staff will also pass along additional inquiries that may be received by phone or walk-in.

Post-Visit Surveys – After scheduled interactions, customers are sent a post-event satisfaction survey to complete via the online Survey Monkey platform. In addition to direct customer feedback outreach, the District monitors independent site ratings and actively responds to customer concerns.

The District reports that if a customer is dissatisfied with District services, the District provides several ways to file a complaint:

When examining customer complaints, it is important to know the District makes great efforts to avoid them. The majority of the complaints received stem directly from a lack of understanding of the rules. To mitigate this, we place our “General Rules and Regulations” on the District website, and distribute them to families when they meet with District staff. There is also a condensed version of the “main” rules posted at each entrance of the cemetery and via handout by security.

Customer Complaints are generally handled on one of three tiers.

Tier 1 – Direct engagement between community members and District staff is facilitated through one of the available communication channels. Staff members will actively work to address the customers’ concerns and resolve any issues that may exist. One of the primary causes for Tier 1 issues is a lack of information for rules violations. After being informed of the rules, these concerns are generally resolved at the front line.

Tier 2 – If a customer is dissatisfied with the response from the Cemetery Services team, they can request to speak with a manager. The Cemetery Services Manager, or another available manager, will then address the customer's concerns. It's important to note that managers don't possess additional authority to resolve issues beyond what front-line employees have. Typically, managers are most effective for customers seeking to express their concerns to someone in a leadership position. If the Manager can address the issue through discussion, they will do so. Cases that escalate further often involve refund or credit requests or unresolved policy disagreements.

Tier 3 – Two avenues exist in Tier 3 as noted by the District.

- **Executive Management Issue** – In cases involving operational matters, the General Manager will engage directly with the customer to address the issue through dialogue. These cases often pertain to refund or credit requests. If the General Manager can resolve the matter by explaining policies or rules, they will do so. If the customer insists on financial compensation, the General Manager will initiate a full investigation. Once the General Manager issues their findings the decision is considered final at the administrative level,

however, the customer may appeal to the Board. These investigations are issued and filed for record.

- **Board of Trustees Issue** – The second type of Tier 3 issue involves policy disagreements. In these cases, the General Manager will attempt to explain the rationale behind the policy. If the customer continues to disagree, they are provided with options to address it directly with the Board of Trustees through public comment. They can present their request or complaint in person at a Board of Trustees meeting, send an email, or leave a voicemail with staff. The District Clerk may then bring it forward at the next Board of Trustees meeting.

The District reports very few complaints have been elevated to the Executive Management or Board level in recent years. The District reports that there have been three (3) such investigations conducted since July of 2021. The nature of each was:

- January 24, 2023 – Customer believed damage to a headstone was caused by landscaping contractors.
- September 30, 2022 – An anonymous customer believed the cemetery was re-using vaults.
- August 19, 2022 – Customer witnessed landscaping crew damage memorial cross on a headstone.

The District maintains comprehensive Policies and Procedures for District operations and personnel. The District notes that a formal annual review for employees is conducted with every employee in June. The following process is utilized:

- Employees are issued a Self-Review form to complete and return to managers.
- Managers complete a Formal Review document for each employee and submit it to the General Manager for review and approval.
- Once approved, managers meet individually with employees to deliver reviews.
- A formal response period is in place after delivery for employee response.
- The final document is placed in the employee's personnel file.

The General Manager also receives an annual review from the Board of Trustees. As part of the process, the General Manager will request a 360-degree feedback analysis from his employees, which is completed by an independent administrator (unless the Board of Trustees declines it).

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

CVPCD currently provides cemetery burial and cremation niches for all residents within its boundaries and to residents outside of its service boundary at an additional non-

resident fee. The one cemetery the District operates offers traditional in-ground casket burials, cremation burials, and a niche columbarium.

The District notes that it currently has the necessary resources to meet community needs for the foreseeable future. Given the fixed nature of cemetery equipment (backhoes, lowering devices, etc.), and the high capacity at which the District operates in terms of annual interments, it isn't practical for the District to utilize internal capacity to support other (remote) cemetery operations. While expanding operations to additional service areas, such as opening new cemeteries, is possible, it would require additional planning and investment.

A key aspect of the services provided include maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. Additionally, the District only contracts for landscaping, security, public relations and HR/legal counsel ongoing, and consulting for annual audit services and strategic planning purposes as needed. The District does not provide contract services to other agencies.

Facilities/Infrastructure

CVPCD operates one cemetery located on the southwest corner of Jackson Street and Avenue 52. The physical address is 82925 Avenue 52, Coachella, CA 92236. The cemetery includes 60 acres of which 29 acres being developed, leaving 31 acres for future use. The District notes that it has sufficient land, equipment, and financial foundation to support anticipated community needs and growth through 2070 and beyond with no capacity constraints. The cemetery is supported by extensive infrastructure to accomplish its primary purpose. Specific buildings include the following:

Administration Building, 82-925 Avenue 52, Coachella, CA 92236- The Administration Building supports the customer service function of the District, including appointments, payments and general customer service.

Executive Office & Trustee Chambers, 82847 Avenue 52, Coachella, CA 92236- The Executive Building supports the management functions of the District, including accounting and executive management. The building also houses the Trustee Chambers, which are utilized for all public meetings.

Maintenance Building- Located behind the Executive Building, the Maintenance Building houses the field operations for the District, including the maintenance breakroom, parking garages and main warehouse.

Service Adequacy

CVPCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any service constraints at this time and is fully capable of providing adequate services to the current District boundaries. The District

notes that the majority of the long-term planning and performance assessment is performed at the Board of Trustees Annual Planning Session in May of each year. The District utilizes outside consultants for annual assessments, Development Ad Hoc Committees, on-going independent assessments by the Auditor and Administrative Services Consultant, and other mechanisms to analyze current growth rates and project future development to meet the needs of the community.

The General Manager keeps the Board informed as to District business and key trends through a monthly General Manager Report. The District notes that there are no areas that would present difficulty providing adequate levels of service or that would be particularly expensive to serve, and the District is meeting the needs of the public in a cost-effective and efficient manner with no current or projected constrictions on service delivery.

The District reports that it tracks and evaluates quantitative performance through several methods, covering all aspects of performance:

Annual Employee Performance Reviews – Annual reviews are conducted to evaluate employee performance, growth, learning opportunities and areas for advancement or improvement.

Annual Employee Satisfaction Surveys – Annual anonymous surveys are performed to assess employee feedback on training, equipment, work culture, staff support and opportunities for improvement.

Classification and Compensation Study – The District routinely conducts compensation and classification reviews to ensure wages and benefits are competitive within the local workforce and the industry.

Diversity Metrics – Management issues annual reports to the Board of Trustees on workforce diversity.

Employee Education & Training – Annual reports are issued to the Board of Trustees on employee education and training, including certification and education specific to their jobs.

Fee Study – The District conducts routine rate studies to ensure pricing is competitive with the marketplace and sustainable for District operations.

Customer Satisfaction Surveys – Post-service customer satisfaction surveys assess the District's ability to meet the needs of customers in several factors, including overall service delivery, services offered and ease of access.

Funeral Home and Partner Surveys – The District conducts routine inquiries of funeral home and other vital community business partners to assess the delivery of service performance.

The District utilizes Key Indicator Reports to track core elements of the District business:

- Monthly and Annual Interment Trends
- Pre-Need Contracts (Services being pre-purchased for future use)
- Monthly and Annual At-Need and Pre-Need Service Appointments
- Public Interactions (across all channels – in-house, digital, social, etc.)

Vendor Reports - Annual reports are issued to the Board of Trustees for vendor performance and contract (financial) status and performance.

Fleet Reports - Reports detail use and maintenance of equipment annually, including mileage or hours, fuel consumption, average MPG, maintenance performed and other key use data.

Risk Management Reports - Annual summary reports are provided to the Board of Trustees for work loss and injury incidents, vehicle damage or collisions, and infrastructure damage.

Monthly and Annual Inventory Reports - Tracking vault and property inventory.

The following statistical information has been provided by the District:

Total number of spaces and number available- 30,692 total, 7,030 reserved or available. Spaces filled each year on average- 507 based on a (10) ten-year averaging period. The (3) three-year period from 2020-2022 reflected 589, 725 and 647 respectively.

Plots/niches occupied- 23,662.

Plots/niches remaining- 7,030 includes 1,977 available.

Current amount of pre-purchased plots/niches- 5,017.

Capacity of District owned undeveloped land- approximately 24,000 full plots and 5,000 quarter plots.

Facilities/Infrastructure Needs

CVPCD does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District notes that the majority of the long-term planning and performance assessment is performed at the Board of Trustees Annual Planning Session in May of each year.

The District utilizes outside consultants for annual assessments (last assessment in 2021), Development Ad Hoc Committees (Last assessment in 2023), on-going independent assessments (Auditor and Administrative Services Consultant), and other mechanisms to analyze current growth rates and project future development to meet the needs of the community. The District recently engaged a consultant to develop a new 10-Year Master Plan.

The District also reports that it has invested close to \$200,000 in capital improvements over the last 3 years to increase irrigation efficiency and water conservation.

Cooperative Programs

CVPCD participates in a number of cooperative programs and regional planning organizations. The District notes that it works cooperatively with several organizations in the District's efforts to honor United States Veterans, including the Veterans Memorial the District helps maintain on-site as noted:

Veterans of Foreign Wars (VFW) Post 369 – Cooperative work on the annual Memorial Day and Veterans Day ceremonies, as well as on-going maintenance of the Veterans Memorial. VFW supports the events with ceremony planning and event execution. The VFW also handles the engraving and placing of new names/members on the walls. The District cares for the general upkeep of the memorial, including gardening, cleaning and polishing, and flag maintenance.

Boy Scouts of America (BSA) 1701 and 451 – The BSA assist the District annually with the placement of flags on the graves of over 1,000 United States Veterans currently interred our cemetery. The District supplies the flags, the BSA Troops assist with placement.

Annual Events - The District works closely with the California Highway Patrol, Riverside County Sheriff's Department, and other County agencies to host the annual Día de los Muertos celebration.

The District reports that it is active in regional planning and engagement, understanding the importance of public participation. As note following:

County of Riverside Disaster Preparedness – The District participates in County of Riverside disaster and emergency mitigation and response calls to stay informed and be prepared to respond to community emergencies.

County of Riverside Special Taskforce – The General Manager served on the Riverside County COVID Recovery Taskforce as the Vice Chair. The Task Force was assigned the duty of responding to business needs throughout the County and supplying recommendations to the Supervisors on economic recovery efforts.

California Special District Association (CSDA) – CSDA promotes good governance and improved core local services through professional development, advocacy, and other services for all types of independent special districts. The District is a regular presence at CSDA meetings, both regionally and locally. The General Manager is currently a member of two CSDA committees. The District also takes the lead annually in organizing Coachella Valley Special Districts (all) meetings with local elected leaders.

District management and governance meet regularly with local city elected leaders and management to discuss areas of concern, growth and services, including annual (or as requested) formal updates to city councils within our service area.

FINANCIAL OVERVIEW

CVPCD carries all operational budgeting and accounting in three funds, the General Fund, the Capital Projects Fund and the Permanent Endowment Fund (Endowment Fund). The General Fund carries all administrative and operational expenditures not covered by the other funds. The Capital Fund carries larger capital projects related to acquisition and/or construction of capital facilities. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The three combined funds comprise the “Governmental Funds” as reported in the annual audit documents.

The District conducts an independent audit annually, the last three years reflecting an “unmodified” opinion, and provides all required reporting to the State Controller’s Office as required by statutes. The audit for Fiscal Year ending June 30, 2023 notes some adjustments made in FY 22/23 for FY 21/22. These adjustments were made for inaccurately recorded unearned revenue according to the audit report.

As of FY 22/23 the District had a small amount of debt service for an office equipment lease agreement and compensated absences, with no other significant long-term liabilities other than less than significant unfunded pension and OPEB liabilities. For the period of fiscal years FY 18/19 – FY 22/23 the Endowment Fund received \$1,482,201 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its governmental funds reporting a combined fund balance of \$14,184,289, which is above the previous year's ending fund balance of \$11,756,896. The primary driver of the increased fund balance is due the prior year adjustments by the auditor as noted above.

Overall, the financial position of the District is considered very stable at this time, with sufficient unrestricted fund balance available for short term potential revenue/expenditure deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels at this time.

Table 1-2 on the following page provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 1-2- Financial Information – Coachella Valley Public Cemetery District

Financial Information (Actuals- Audited Financial Statements)			
	FY 22/23	FY 21/22	FY 20/21
General Fund Revenues/Transfers	\$3,037,657	\$2,955,373	\$2,695,300
General Fund Expenditures/Transfers	\$3,047,886	\$3,204,367	\$2,283,216
General Fund Surplus/(Deficit)	(\$10,229)	(\$248,994)	\$412,084
Capital Fund Revenues/Transfers	\$993	\$11	\$5
Capital Fund Expenditures/Transfers	\$572	\$256	\$0
Capital Fund Surplus/(Deficit)	\$421	(\$245)	\$5
Endowment Fund Revenues/Transfers	\$451,924	\$370,705	\$396,625
Endowment Fund Expenditures/Transfers	\$18,611	\$4,687	\$16,033
Endowment Fund Surplus/(Deficit)	\$433,313	\$366,018	\$380,592
Capital Outlay	\$192,609	\$344,484	\$129,330
Debt Service Expenditures	\$18,180	\$2,961	N/A
Long Term Liabilities	\$40,504	25,209	\$13,453
Unrestricted Net Assets (Reserve)	\$3,648,876	\$1,480,162	\$1,804,411
Restricted Net Assets (Reserve)	\$8,882,832	\$8,449,519	\$8,083,501
Capital Assets (Net of Depreciation)	\$2,065,834	\$2,038,198	\$2,158,129
Unfunded Pension Liability	\$924,338	\$426,254	\$769,953
Unfunded OPEB Liability	\$829,245	\$1,131,210	\$1,434,420
Net Position	\$14,579,401	\$11,933,064	\$12,046,041
Note- The auditors made restatements to the FY 21/22 Financial Statements for the FY 22/23 Financial Statements.			

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

For CVPCD, the General Fund revenue trend slightly upward has been relatively steady. The expenditure trend has fluctuated over the listed three fiscal years. However, the General Fund overall has reflected annual surpluses and deficits over the three-year period. Taken together, these fluctuations are minor and not of concern. The Endowment Fund reflects similar characteristics with significant annual end of year surpluses over the 3 fiscal years reviewed.

These trends appear to represent a somewhat slow growth scenario that when factoring in rising costs, may ultimately reflect in degradation of services. However, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency's ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn't always possible in some agencies.

CVPCD in FY 22/23 received approximately 12.9% of its overall revenues from payments into the Endowment Fund. The General Fund received approximately 39.3% of its revenue from property taxes & intergovernmental revenue, 55.9% from charges for services, and the remainder from miscellaneous sources.

Since the District's revenue stream for the General Fund is not diversified to any extent, and the Endowment Fund is restricted revenue, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

CVPCD's General Fund unassigned fund balance of \$3,749,534 for FY 22/23 is approximately 123% of expenditures for the year. The District's Endowment Fund restricted fund balance of \$8,882,832 for FY 22/23 as compared to relative minor expenditures of \$18,611 from this fund is a significant ratio. These fund balance ratios fall

well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

CVPCD has no bond or secured debt. Therefore no ratio to assess, which in turn is a positive aspect to overall financial stability. The District does maintain minor compensated absence and lease debt, and relatively insignificant pension unfunded liability and OPEB unfunded liability discussed later in this report.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

CVPCD's FY 22/23 ending net position was calculated by the auditors at \$14,579,401 with \$3,648,876 as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a large amount of Net Position includes Capital Assets which is mostly cemetery grounds and the buildings on site that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show a fluctuating trend annually however an overall increase during that period which is a positive indicator for the District. It should be noted that both the General Fund and the Endowment Fund show positive overall increases in the last three fiscal years reviewed.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented, many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

CVPCD maintains \$924,338 in pension unfunded liability, and \$829,245 in Other Post Employment Benefits (OPEB) unfunded liability as per the audit report for the fiscal year

ending June 30, 2023. These amounts although somewhat large should be considered fairly insignificant to any major impact to the overall financial stability of the District at this time. However steps to pay down this liability would be a prudent undertaking by the District.

The employee pension program is the Cost Sharing Multiple-Employer Defined Benefit Pension Plan administered by CalPERS. The OPEB plan is a defined benefit single employer plan covered under the California Public Employees Medical and Hospital Care Act (PEMHCA) commonly referred to as PERS Health.

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

CVPCD’s capital assets include primarily the office facilities and maintenance facility, equipment, and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$4,576,782 in capital assets and \$2,510,948 in accumulated depreciation, resulting in \$2,065,834 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. It should be noted that some capital type projects that benefit the cemetery and the public use can be funded with Endowment Fund assets.

The District does review long term capital improvements as part of an annual strategic planning process with the Board of Trustees. Currently, the District projects capital expenditures in the amount of \$1,005,200 over the next nine (9) years as noted below:

2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
\$355,000	\$95,400	\$67,200	\$25,000	\$89,400	\$94,700	\$21,400	\$39,800	\$217,300	\$1,005,200

The District reports the Capital Outlay Fund (Reserve) is fully funded to support the expenditure(s) with \$1,185,136 available as of September 1, 2023. In addition to self-funding, the District reports that the District actively looks for other funding sources to offset the cost of ongoing capital investment and upkeep. Some examples include:

2022 Automated Irrigation Project – The District received a Proposition 1 Grant through the Coachella Valley Mountain Conservancy in the amount of \$54,100.

2021 COVID Relief Funds – The District was awarded \$57,512 from the Special District COVID-19 Relief Fund. The District notes that the award was the third-highest amount awarded among all Riverside County Special Districts.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

CVPCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care fees. As one of the primary sources of revenue for operating and maintaining the cemetery property, these fees are updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

The following pages provides the CVPCD fee schedule provided by the District.



Interments: Monday through Friday ONLY
<i>Services to be completed within 60 minutes</i>
<i>Services must exit upon conclusion so grounds crew may complete interment</i>

ADULT: FULL SIZE LOT						
	LOT	ENDOWMENT	VAULT	TAX	LABOR	TOTAL
#5 - 1st interment 30" x 85" x 26"	\$1,120.00	\$720.00	\$320.00	\$24.80	\$2,107.00	\$4,291.80
#5 - 2nd interment 30" x 85" x 26"	-	-	\$320.00	\$24.80	\$2,107.00	\$2,451.80
#7 38" x 92" x 32"	\$1,120.00	\$720.00	\$800.00	\$62.00	\$2,347.00	\$5,049.00
<i>#7 vaults cannot be interred with a second vault</i>						

CHILDREN: HALF LOT & QUARTER LOT						
Inside Vault	LOT	ENDOWMENT	VAULT	TAX	LABOR	TOTAL
#1 (½ Lot) 15 ½" x 31 ½"	\$360.00	\$240.00	\$104.00	\$8.06	\$827.00	\$1,539.06
#2 (½ Lot) 18 ½" x 56 ½"	\$520.00	\$288.00	\$128.00	\$9.92	\$827.00	\$1,772.92
#3 (½ Lot) 23 ½" x 56 ½"	\$520.00	\$288.00	\$128.00	\$9.92	\$907.00	\$1,852.92
<i>*Casket size required if scheduling child services; Cemetery cannot finalize without this measurement*</i>						
<i>Children lots cannot be interred with a second vault</i>						

CREMATION VAULT (IN-GROUND)						
Inside Vault	LOT	ENDOWMENT	VAULT	TAX	LABOR	TOTAL
#1 7½" x 5" x 13"	\$360.00	\$216.00	\$88.00	\$6.82	\$859.00	\$1,529.82
#2 13¾" x 9½" x 6½"	\$360.00	\$216.00	\$113.00	\$8.76	\$859.00	\$1,556.76
#3 13¾" x 9½" x 12"	\$360.00	\$216.00	\$138.00	\$10.70	\$859.00	\$1,583.70

COLUMBARIUM - Inside Dimensions: 9" x 9" x 9"						
	NICHE	ENDOWMENT	SHUTTER	TAX	LABOR	TOTAL
Outside Bottom	\$864.00	\$400.00	\$163.34	\$12.66	\$209.30	\$1,649.30
Outside Top	\$944.00	\$400.00	\$163.34	\$12.66	\$209.30	\$1,729.30
Inside Bottom	\$1,024.00	\$400.00	\$163.34	\$12.66	\$209.30	\$1,809.30
Inside Top	\$1,104.00	\$400.00	\$163.34	\$12.66	\$209.30	\$1,889.30

<i>Interment of eligible NON-RESIDENTS will be subject to a surcharge payment of:</i>			
Full Size Lots	Half Size Lots	Quarter Size Lots	Niches
\$480.00	\$320.00	\$160.00	\$160.00

DISINTERMENT FEES				
	VAULT	TAX	LABOR	TOTAL
Disinterment ONLY	-	-	\$2,925.00	\$2,925.00
<i>Below charges would apply only for 2nd interments where 1st interment was completed before 2003:</i>				
Disinter (w/liner) / Reinter (w/vault) 2 nd Interment	\$320.00	\$24.80	\$2,925.00	\$4,013.70
	\$320.00	\$24.80	\$399.10	
Disinter (w/vault) / Reinter (w/vault) 2 nd Interment	-	-	\$2,925.00	\$3,668.90
	\$320.00	\$24.80	\$399.10	

HEADSTONE SETTING FEE				
	SIZE	SETTING FEE	ENDOWMENT	TOTAL
Single	18" x 30" x 3"	\$272.00	\$48.00	\$320.00
Double	20" x 42" x 3"	\$368.00	\$112.00	\$480.00
¼ and ½ Lots	16" x 26" x 3"	\$272.00	\$48.00	\$320.00
<i>* Setting Fee must be paid PRIOR to placement of the headstone</i>				

NICHE SHUTTER ENGRAVING		
PLEASE NOTE - Engraving fees are subject to change without notice based on current vendor pricing:		
Single	\$110.00	Engraving of First Name, Last Name, YOB and YOD
Double	\$175.00	Engraving of First Name, Last Name, YOB and YOD
Artwork / Emblem	Market Rate	Additional engraving fee for artwork or emblem
Additional Engraving	\$75.00	Fee for each additional engraving after initial engraving

ADDITIONAL FEES		
Niche Vase	\$102.58	Niche vase, including installation (Current Market Rate)
Pallbearers	\$86.00	Available by advance request; trolley use required (Pallbearer service not guaranteed for #7)
Large Service Fee	\$774.00	TBD by Admin: Services that require extra traffic control
Marker Resetting	\$526.00	Removal + reset current marker/setting a new marker
Plot Transfer/Exchange	\$200.00	Administrative cost to transfer or exchange property
Contract Establishment Fee	\$50.00	Establishment fee for contracts
Returned Payment Fee	\$50.00	Charge for all returned payments
Late Fee	\$10.00	Per month on Pre-Need contracts with payment plans
Endowment	Current endowment fee will be charged on opening of all graves prior to 09/01/1967	

REVISIONS ADOPTED BY THE BOARD OF TRUSTEES OF THE COACHELLA VALLEY CEMETERY DISTRICT

Prices Effective: 09/01/2023

Cost Avoidance Programs

CVPCD reports that they have implemented several cost avoidance programs over the years and in place at this time examples as noted:

Double Depth Burial – The District is one of only a few public cemeteries that allow double depth burials. The process allows for multiple remains to be placed in a single lot. The process accomplishes several goals related to efficiency and cost:

- 1) It allows the District to maximize its revenue per lot by monetizing the space with multiple interments.
- 2) It minimizes the cost to the public by allowing them to avoid additional lot purchases, instead only paying an opening and closing fee for the second interment.

The District recently expanded this program to allow for up to three interments per lot, including two caskets and an urn (or other similar combinations).

Double Vaults – In 2021, the District transitioned to pre-installing double depth vaults, capable of holding two adult caskets, instead of single vaults. While this switch involves higher upfront costs, it results in significant long-term savings. The estimated savings by using double vaults, rather than two single vaults, is \$125,000 per section over a 3-5 year period.

Irrigation Control – The District switched to a rainbird automated irrigation system in 2022 and concurrently put a new automated pump control for the reservoir. The combination of the two allows for autonomous irrigation delivery in non-peak hours (night). The District was previously irrigating manually utilizing personnel to run the valves during the day. The switch has reduced costs in water, power and personnel.

Areas of improvement the District has identified include:

Procurement – Combined or cooperative procurement efforts would be helpful. The District currently leverages collectively negotiated rates where it can, for instance, the District currently taps into the Sourcewell (formerly NJPA) contract that John Deere holds to purchase a new tractor modification. Still, there are areas where additional procurement leverage may help.

Information Technology Support – Similar to above, smaller agencies would probably benefit greatly from some of the information technology resources the County of Riverside possesses. The District currently pays close to \$15K per year for outside support, which is minimally used. If the District were allowed to buy into a contract with the local County, the long-term cost may be less.

Digital Advancement – The District has made great strides in this area over the last few years, migrating to VOIP phones, utilizing cloud-based storage, upgrading the District's CRM for automated payment and orders, allowing for online appointments and other investments. But this is an area the District continues to probe for more efficiency.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are four disadvantaged unincorporated communities related to the Cities of Indio, La Quinta and Palm Desert within boundaries/SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for CVPCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to CVPCD at this time:

Maintain the status quo.

CVPCD's government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a relatively small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District's current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission's consideration:

1) *Growth and Population Projections*

- CVPCD currently serves an estimated population of approximately 261,194 over a geographical area of approximately 3,504 square miles. The District encompasses the Cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert, as well as parts of Rancho Mirage and unincorporated Riverside County.
- The District's service area most likely has potential for growth most notably within the cities it serves and in portions of the unincorporated areas in the District.
- Although the District does not retain any land use planning and entitlement authority as those functions are reserved for cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.

2) Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.

- There are four disadvantaged unincorporated communities related to the Cities of Indio, La Quinta and Palm Desert within boundaries/SOI.

3) Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities

- The CVPCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any service constraints at this time and is fully capable of providing adequate services to the current District boundaries for the near and long term.
- The District notes that there are no areas that would present difficulty providing adequate levels of service or that would be particularly expensive to serve, and the District is meeting the needs of the public in a cost-effective and efficient manner with no current or projected constrictions on service delivery.
- There are no deficiencies related to the four DUCs identified within or near the District's SOI.

4) Financial Ability of the District to Provide Services

- CVPCD has the financial ability to provide the current level of services provided.
- The District operates effectively and efficiently as possible with reasonably sized staff to minimize administrative overhead costs.
- Sufficient revenues and ability to set charges for services commensurate with costs of services allows the District to maintain financial stability.
- The Endowment Permanent Fund maintains substantial revenues for long term stability in cemetery longevity.

5) Status of, Opportunities for Shared Facilities

- There is no foreseeable opportunity for shared facilities as CVPCD only provides cemetery services and only maintains buildings to support direct cemetery operations. Primary infrastructure is limited to the cemetery grounds.

6) *Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.*

- CVPCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 12 personnel.
- Service needs are being met by the District without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- The District primarily conducts outreach via its website, social media, email newsletters, Board of Trustee meetings and direct interface with customers.
- Direct email contact information is listed for Board members, however, and no staff reports are provided with the agendas that are posted on the District website. Financial information such as annual budgets and audits are available on the website, including a comprehensive fee schedule along with a burial search portal and various other items related to services provided.
- No alternative government structure options are considered superior to the current structure at this time.

7) *Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.*

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

CVPCD's sphere of influence is primarily coterminous with its current service boundary with 3 small adjacent SOI areas on the western portion of the District.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, no additional potential expansion of CVPCD's SOI have been identified. Additionally, there are four areas of overlapping SOIs with an adjacent cemetery district jurisdictional boundary that require adjustment as follows:

Three areas within CVPCD's SOI adjacent to the City of Rancho Mirage east and south, are currently in the Palm Springs Cemetery District (PSCD) jurisdictional boundary. These areas should be removed from CVPCD's SOI. Staff recommends approval of these adjustments.

One area within CVPCD's jurisdictional boundary on the west side of the District is included in the SOI for PSCD. This area should be removed from the PSCD's SOI. Staff recommends approval of this adjustment.

Sphere of Influence Options

One option is identified with respect to CVPCD's SOI.

Option #1:

The Commission may desire to maintain SCD's current SOI with the following adjustments:

- a. Remove the three areas within CVPCD's SOI adjacent to the City of Rancho Mirage east and south, currently in the Palm Springs Cemetery District (PSCD) jurisdictional boundary.
- b. Remove the one area which is included in the SOI for PSCD on the west side of the District but within CVPCD's jurisdictional boundary.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

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

- CVPCD is not an authorized land use planning authority. The Cities of Coachella, Indio, La Quinta, Indian Wells, Palm Desert, as well as parts of Rancho Mirage and the County of Riverside are responsible for land use planning within their respective jurisdictions.
- Current land use and zoning is a mix of urban development and a rural mix.
- It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the rural areas.

2) *The present and probable need for public facilities and services in the area.*

- CVPCD current services are considered adequate to support the area, and sufficient capacity exists to support of future growth within the current District boundaries and SOI.

- There is no foreseeable need for procurement of additional land for providing sufficient interment sites to support current and future growth.
- Expansion of services will require sufficient revenues to support the cost of any service expansion.

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

- Sufficient capacity of CVPCD's current facilities exists to support providing adequate public services authorized and being provided in the short term.
- Sufficient undeveloped existing cemetery land will support long term interment services provided.

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.*

- There are several specific socio or economic "communities of interest" within the CVPCD jurisdictional boundaries that are serviced by the District.
- The District notes that the area served by the District has a diverse population and rich culture. The population center and tax base for the District is well balanced, with Mid-Valley property taxes generated from wealthier communities helping to balance the overall cost load incurred by more disadvantaged communities in the East Valley. The cities of Indian Wells, Palm Desert and La Quinta have median household incomes of \$112,614, \$64,295 and \$75,724 respectively. Four communities on the far Eastern portion of the Valley are less affluent with some areas classified as disadvantaged.

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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.*

- There are four disadvantaged unincorporated communities related to the Cities of Indio, La Quinta and Palm Desert within CVPCD's boundaries/SOI.
- The District does not provide water, wastewater nor fire protection services.

Chapter 2- Elsinore Valley Cemetery District

OVERVIEW / BACKGROUND

The Elsinore Valley Cemetery District (EVCD or District) was officially formed in 1926 as a special district in accordance with the State of California Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. Prior to that time, the cemetery operated as a privately owned public cemetery since 1891. (see below for more historical information). The District encompasses approximately 67,331.4 acres (105.2 sq. mi.) including the Cities of Lake Elsinore and Canyon Lake and unincorporated areas to the southwest and north of the City of Lake Elsinore. Population served is estimated by the District at approximately 103,857 in 2024.

Historical Information (EVCD Website)

"In 1891 Peter Wall purchased twelve acres of land for the Greenwood Cemetery.

He laid out the cemetery and with the help of the GAR Relief Corps and others, planted trees and hauled water to the site to establish them.

The hilly site known as the "old cemetery" was on Minthorn Street, east of then Highway 71 (now Interstate 15). Records indicate that eight pioneers, buried between 1876 and 1891, were disinterred from the old cemetery and moved to Greenwood Cemetery which is now known as Elsinore Valley Cemetery.

The first Superintendent of the cemetery was Charles "Cal" Sumner Merrifield, son-in-law to Peter Wall. He was followed by his son, Leslie Merrifield, who held that post until 1970 when he retired at age 70. Both men are now interred here at Elsinore Valley Cemetery.

During those early years, the cemetery grounds were bare except for weeds. They grew so high that burning was used for their control. This caused damage to the trees and also the marble, wood and limestone grave markers and the burning was discontinued.

In the late 1920s, a well was dug in hopes of getting enough water for more landscaping. An adequate water supply during hot summers continued to be a problem for many years.

In 1923 the Elsinore Woman's Club, under the leadership of Mrs. Guy Willsey (Mary Lorena) took over the project and focused on the protection and care of the cemetery. Through their efforts and with the assistance of other organizations in the valley, the cemetery was purchased in May of 1926.

Mr. Wall sold the property for \$500 plus some additional funds for the existing improvements and equipment.

The name was changed to “Elsinore Valley Cemetery” and the Elsinore Valley Cemetery Association (now known as the Elsinore Valley Cemetery District) was formed as part of the Riverside Cemetery District. The original Trustees appointed by the County Board of Supervisors were Willis L. Everett, Henry Clay Scott and Terrell L. Rush.

The Elsinore Valley Cemetery has a total of 26.5 acres, of which 16 are developed. In 1995 the Elsinore Valley Cemetery District purchased the Home of Peace Jewish Cemetery, which adjoins the north side of Elsinore Valley Cemetery.

Over the years the cemetery has had many changes, and beautification is ongoing in an effort to keep this historical site a place that can be seen as a peaceful and serene place to visit.”

Mission Statement:

“It is our mission to offer affordable burial and memorializing needs to our community with honor, dignity, compassion and care, in an environment of beauty and serenity.”

EVCD provides services to residents outside of its service boundary under specific eligibility requirements. EVCD’s sphere of influence extends to the north of the District’s jurisdictional boundary in three areas.

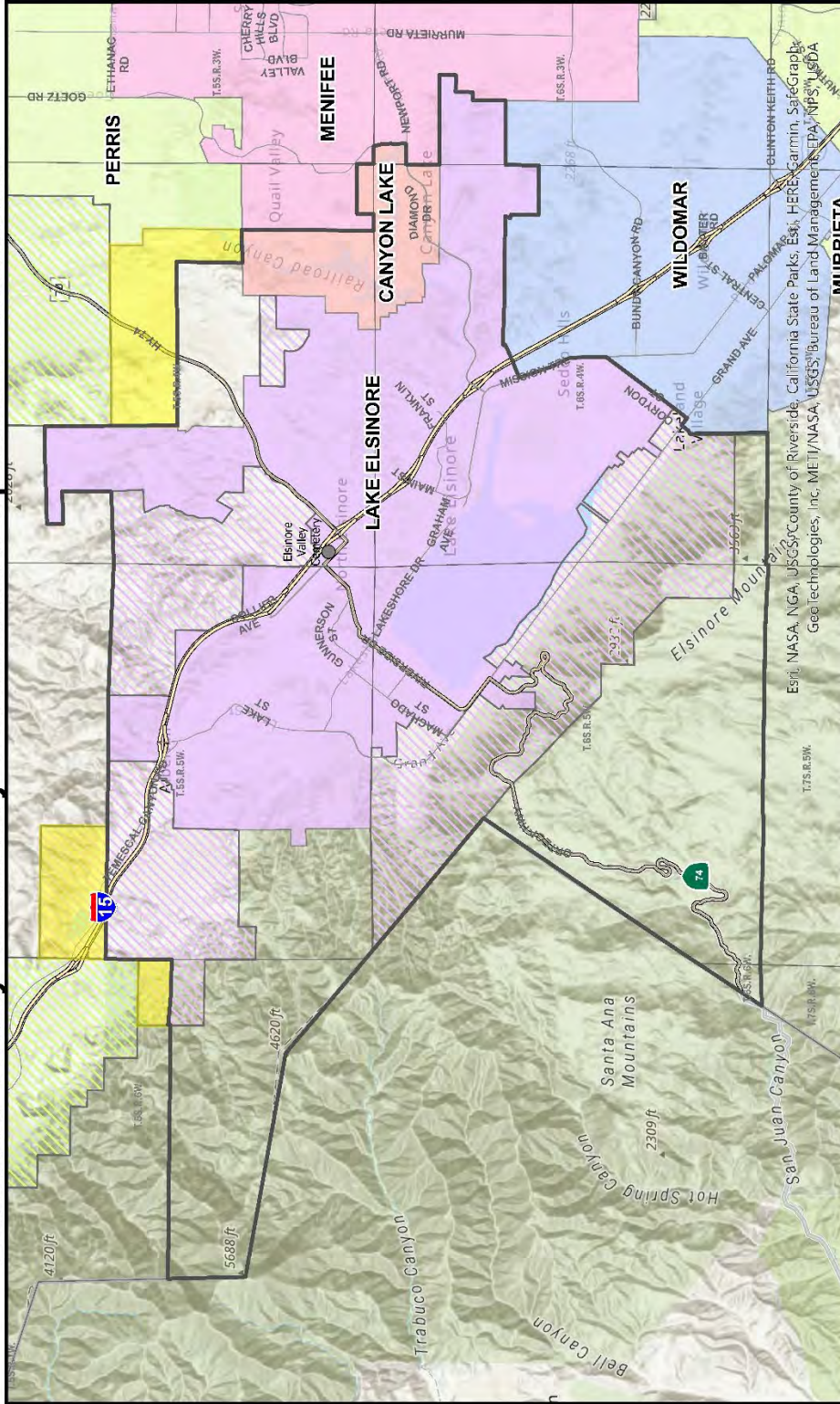
On the following pages, **Table 2-1** provides a snapshot profile of EVCD, and **Figure 2-1** provides a map of the District’s current boundary and SOI.


Table 2-1- Profile- Elsinore Valley Cemetery District

General Information			
Agency Type	Municipal – Public Cemetery District		
Principal Act	California Health & Safety Code Section 9000 et. seq.		
Date Formed	1955		
Services Provided	Casket Burials, Cremation Interments, Niche Wall Interments		
Location	Cemetery & Facility location: 18170 Collier Avenue, Lake Elsinore, CA 92530 (951) 674-2418		
Sq. Miles/Acres	Approximately 67,331.4 Acres (105.2 sq. miles) service area. Cemetery – 26.5 acres Per the Department of Agriculture		
Contact	Stephanie Garcia, District Manager District.manager@evcd.org		
Website	www.elsinorevalleycemetery.com		
Population Served	Estimated 103,857		
Last SOI Update	2005 & 2018		
Governance/Staffing			
Governing Body	5-member Board of Trustees, appointed by the Riverside County Board of Supervisors		
Terms	4-year staggered terms		
Meeting Information	2nd Thursday of the Month at 10:00am at the Cemetery Office, 18170 Collier Avenue, Lake Elsinore, CA 92530		
Total Staff	Approximately 6 employees		
Staff Categories	General Manager, Admin Support, Groundskeepers		
Facilities/Other Infrastructure			
Facilities	District Office, workshop and storage buildings.		
Other Infrastructure	16 acre developed cemetery, 10 acres available for future use		
Financial Information- FY 22/23 Actuals (Audited Financial Statements)			
	Revenues	Expenditures	Net Surplus/(Deficit)
General Fund	\$1,386,215	\$1,132,682	\$253,533
Capital Fund	\$5,983	\$0	\$5,983
Endowment/Pre-Need Fund	\$141,303	\$0	\$141,303
Combined Funds	\$1,533,501	\$1,132,682	\$400,819
	FY 22/23	Long Term Planned Expenditures	
Capital Expenditures	\$28,367	None.	
General Fund Balance	\$3,023,835	June 30, 2023 Financial Statement	
Capital Fund Balance	\$2,614,261	June 30, 2023 Financial Statement	
Endowment/PreNeed Fund Balance	\$1,145,324	June 30, 2023 Financial Statement	
Unrestricted Net Assets	\$217,409	June 30, 2023 Financial Statement	
Capital Assets (Net)	\$1,356,459	June 30, 2023 Financial Statement	
Net Position	\$8,117,802	June 30, 2023 Financial Statement	
Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2023			
Long Term Debt	EVCD has no long-term bond or secured debt		
Unfunded Pension Liability	EVCD has no unfunded pension liability.		
Unfunded OPEB Liability	EVCD has no unfunded OPEB liability		
Notes- Endowment & PreNeed Funds combined for this table since related to future commitments.			

Figure 2-1- Boundary/SOI Map – Elsinore Valley Cemetery District

Elsinore Valley Cemetery District and Sphere of Influence



<p>Legend</p> <ul style="list-style-type: none"> Elsinore Valley Cemetery District Elsinore Valley Cemetery District SOI Elsinore Valley Cemetery Townships <p>Last Recorded Boundary change: 11/28/2018</p>	<p>67,331.4 acres 105.2 square miles</p> <p>Cemetery District Services provided by District</p>
<p>Data Sources: County of Riverside; LAFCO</p> <p>2 1 0 2 Miles</p> <p>Esri, NASA, NGA, USGS, County of Riverside, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA</p>	<p>Disclaimer: The information shown is intended to be used for reference and general display purposes only and is not to be used as an official map.</p> 

SOI Amended: 05/26/2005 & 07/26/2018
 Author: Crystal M. Craig & Michael Henderson Map Created on 03/01/2023

GROWTH AND POPULATION PROJECTIONS

EVCD currently serves an estimated population of approximately 103,857 over a geographical area of approximately 105.2 square miles. The District encompasses the Cities of Lake Elsinore and Canyon Lake and unincorporated areas to the southwest and north of the City of Lake Elsinore. The District's service area most likely has potential for growth, most notably within the cities serviced and the unincorporated areas in the District.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth. The District notes that a review of projected growth is currently being conducted.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the combined Cities of Lake Elsinore and Canyon Lake population to increase by 66% over the next 20 years, with some population growth in the surrounding unincorporated areas. It is unlikely that this level of growth will occur over this period of time, and expect a growth rate similar to the overall county growth rate.

ACCOUNTABILITY AND GOVERNANCE

Governance

EVCD is governed by a five-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The EVCD Board of Trustees meets every 2nd Thursday of the month at 10:00a.m. at the District Office, 18170 Collier Avenue, Lake Elsinore, CA 92530. The District's Board of Trustees consists of a Chair, Vice-Chair, and (3) three Trustees. All ethics and Form 700 filings are current.

<u>EVCD Board of Trustees</u>	<u>Term Expires</u>
Charles Bryant	2028
Jane Stoffel	2029
Marilyn Jackson	2028
Sivert Nelson	2026
Rose Tompkins	2026

The District maintains three committees that meet periodically to oversee specific areas of operations. The Finance Committee meets three times per year on financial matters, the Military Committee meets for Memorial Day and Veteran's Day program development, and the Engineering Committee meets as necessary for specific projects or issues that arise.

Website Transparency

The EVCD website is organized and hosts a wide variety of information regarding the cemetery services provided by the District. Information provided includes a burial search portal, a very detailed listing of the fees charged for the various burial options available for selection, and detailed policies, regulations and procedures for utilization of the cemetery property. The website also includes information on services and facilities.

Meeting agendas are posted on the District's website, however, no written staff reports if existing. Board minutes are also posted after approval. The website does not contain direct email addresses to contact Board of Trustees members for direct access at their request. Vendors were contacting Board of Trustees members for purchases and marketing was at an extreme high. Therefore, the Board of Trustees agreed that a direct email address for the District Manager be provided. Pertinent financial information for the District including the current budget and annual audits are included along with staff compensation information.

Customer/Constituency Communication

EVCD informs constituents, patrons, and customers of activities and services primarily through their website. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons. All meeting agendas are posted online as well as inside the cemetery bulletin board. There is also a posting in the bulletin board outside the main gate entrance.

Customer/Constituency Accountability

EVCD strives to ensure the patrons and customers have access to all information relevant to the facilities and services provided. As noted previously, the District maintains detailed policies, regulations and cost information for the use of the cemetery on the District website. Staff is the initial and primary contact with all patrons. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount.

The District notes that very few complaints have been received over the past few years. For any complaint that is received, the District Manager is the primary staff responsible for complaint resolution. Any complaint received is date stamped and a file is made. The District Manager reviews the complaint within 24 hours of receipt. The information is followed up until resolution.

The District notes that all complaints are filed in the office in hard copy format. They are to be reviewed by the District Manager within 48 hours. Response to complainant is in writing and certified by mail no later than (5) business days after complaint has been received. An email version is sent if the complainant has access and/or shared their email on the complaint form. If a complaint is in regard to camera footage, two (2) additional business days may be required for completion of film footage review. If so, an email and/or phone call is sent on day 5 informing the complainant of additional

time needed. There are weekly staff meetings wherein any/all complaints are updated and completion is documented in Minutes as well as Decedent's file.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the District Manager for staff on each employee's anniversary hire date and the Board of Trustees for the District Manager. Additionally, the District holds quarterly meetings wherein all operations are reviewed for safety, and productivity including review of any/all safety reports, hazard reports, staff improvement(s) (CPR training, safety training, active shooter training, heat safety training, teambuilding exercises). Brainstorming and staff input are imperative to a fully functional workplace.

The District notes that continued training is provided throughout the grounds and office, and encourages not only cross-training but, team building to increase productivity and to foster a positive work environment. All team members are trained to work with customers, mortuary staff, county staff. Continued training prevents work accidents, and attendance concerns. Visitor safety is continuously addressed thus, resulting in fewer incidents. This is ongoing and the District notes constant striving to provide the safest and staff friendly, family/guest friendly policies, and maintaining the quality of services provided to the community.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

EVCD currently provides cemetery burial and cremation niches for all residents within its boundaries and to residents outside of its service boundary under specific eligibility requirements. The District offers traditional in-ground casket burials and cremation burials, single and double depth plots, and a niche wall. A key aspect of the services provided includes maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. The District does not provide contract services to other agencies.

The District contracts for annual audit services and legal counsel as needed. Additionally, the District contracts with the Riverside County Sheriff's Department (RCSD) in the Work Release Program. The District provides work hours for the defendants that have been ordered by the court to complete their community services. The RCSD oversees this program, and the District is an entity that has been approved to work directly with this agency. The District staff must have yearly training by RCSD, complete weekly documentation, and keep in touch with the Sheriffs unit when necessary.

Facilities/Infrastructure

The EVCD District Office and cemetery are located at 18170 Collier Avenue, Lake Elsinore, CA 92530. The cemetery includes 20 acres of developed cemetery property and 6.5 acres

of undeveloped property available for future use. Also located at the cemetery is a maintenance workshop and storage buildings.

Service Adequacy

EVCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any service constraints at this time and is fully capable of providing adequate services to the current District boundaries. The District reports that operations and productivity are evaluated as needed, and notes that it tracks specific staff workload through computerized time sheets. For specific projects, assigned duties and work order documentation is maintained. This information is also updated yearly for staff evaluations and grounds improvement.

Long-term objectives and goals are discussed at annual meetings with staff wherein input from staff is received to see if there are any improvements that can be made. Long-term objectives are then created for the fiscal year to address concerns if any, to be acknowledged, received, and placed in a tickler file with a date of anticipated completion.

The District reports utilization of various statistical and historical trends from the District's historical records and maintains constant contact with local area Mortuaries. The District works closely with these companies to ensure quality of care for families as well as preparing for the next month of services needed, always working at a minimum, a month in advance.

The following statistical information has been provided by the District:

Total number of spaces and number available- 19,122 total, 4,119 available.
Spaces filled each year on average- 80-82 (Pre-Covid). For the 3 fiscal years 21/22-23/24- 651 District notes that the annual rate is returning to pre-Covid levels.
Plots/niches occupied- 9,210 Caskets and 5,793 Cremains.
Plots/niches remaining- 4,119- Full plots- 3,471, Cremains- 648.
Current amount of pre-purchased plots/niches- 1,025.
Capacity of District owned undeveloped land- The District notes the currently 10 acres of undeveloped land are in the process of creating a new baby section, a single plot section and extending our double-deep plot. No estimate provided for number of future plots pending final development process in mid-2025.

Facilities/Infrastructure Needs

EVCD does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does review long term capital improvements as part of an annual budget process, and reports a longer term Strategic Plan is under development to address future capital level requirements.

Cooperative Programs

EVCD participates in cooperative programs and other cooperative endeavors with other agencies and organizations, and participates in regional planning and programs. As noted previously the District notes participates in the Work Release Program overseen by the Riverside County Sheriff's Department and paid for by Riverside County. There is no fee to the District for participating in the program.

Additionally, the District is a member of the California Special District Association (CSDA) as well as the California Association of Public Cemeteries (CAPC). The District also communicates with other cemeteries and shares what other cemeteries are experiencing as a public agency. The District is not a member of any Joint Powers Authority.

FINANCIAL OVERVIEW

EVCD carries all operational budgeting and accounting in four funds, the General Fund the Capital Fund the Endowment Permanent Care Fund (Endowment Fund) and the PreNeed Fund. The General Fund carries all administrative and operational expenditures not covered by the other funds. The Capital Fund carries larger capital projects related to acquisition and/or construction of capital facilities. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The PreNeed Fund includes funds received in advance by customers for purchase of various burial items other than the burial plot. The four combined funds comprise the "Governmental Funds" as reported in the annual audit documents.

The District conducts an independent audit annually, the last three years reflecting an "unmodified" opinion, and provides all required reporting to the State Controller's Office as required by statutes.

As of FY 22/23 the District had no debt service with an insignificant compensated absences long term liability, and no unfunded pension and OPEB liabilities. For the period of fiscal years FY 18/19 – FY 22/23 the District reports the Endowment Fund received \$263,926 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its Governmental Funds reporting a combined fund balance of \$6,783,420, which is above the FY 21/22 ending fund balance of \$6,382,601 and the FY 20/21 ending fund balance of \$6,320,930. This reflects a positive trend overall.

Overall, the financial position of the District is considered very stable at this time, with sufficient unrestricted fund balance available for short term potential revenue/expenditure deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels at this time.

Table 2-2 following provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 2-2- Financial Information- Elsinore Valley Cemetery District

Financial Information (Actuals- Audited Financial Statements)			
	FY 22/23	FY 21/22	FY 20/21
General Fund Revenues/Transfers	\$1,386,215	\$1,186,015	\$1,231,398
General Fund Expenditures/Transfers	\$1,132,682	\$1,402,146	\$879,491
General Fund Surplus/(Deficit)	\$253,533	(\$216,131)	\$351,907
Capital Fund Revenues/Transfers	\$5,983	\$166,962	\$21,104
Capital Fund Expenditures/Transfers	\$0	\$0	\$0
Capital Fund Surplus/(Deficit)	\$5,983	\$166,962	\$21,104
Endowment/PreNeed Fund Revenues/Transfers	\$141,303	\$110,840	\$105,488
Endowment/PreNeed Fund Expenditures/Transfers	\$0	\$0	\$0
Endowment/PreNeed Fund Surplus/(Deficit)	\$141,303	\$110,840	\$105,488
Capital Outlay	\$0	\$0	\$0
Debt Service Expenditures	\$0	\$0	\$0
Long Term Liabilities	\$22,077	\$22,265	\$17,871
Unrestricted Net Assets	\$5,822,352	\$5,504,538	\$5,471,988
Restricted Net Assets	\$938,991	\$865,217	\$842,004
Capital Assets (Net of Depreciation)	\$1,356,459	\$1,162,012	\$997,781
Unfunded Pension Liability	N/A	N/A	N/A
Unfunded OPEB Liability	N/A	N/A	N/A
Net Position	\$8,117,802	\$7,531,767	\$7,311,773
Note- Endowment & PreNeed Funds combined for this table since related to future commitments. Long Term Liabilities- Compensated Absences			

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

EVCD’s General Fund revenue trend has fluctuated but has reflected an upward overall position. The expenditure trend has fluctuated over the listed three fiscal years. Thus, the General Fund overall has reflected annual surpluses and deficits over the three-year period. Taken together, these fluctuations are not considered significant at this time. The Combined Endowment/PreNeed Funds reflects steady revenue growth with significant annual end of year surpluses over the 3 fiscal years reviewed.

These trends appear to represent a somewhat slow growth scenario that when factoring in rising costs, may ultimately reflect in degradation of services. However, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency’s ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn’t always possible in some agencies.

EVCD in FY 22/23 received approximately 9.2% of its overall revenues from payments into the combined Endowment and PreNeed Funds. The General Fund received approximately 86% of its revenue from property taxes, 10.6% from charges for services, and the remainder from miscellaneous sources.

Since the District’s revenue stream for the General Fund is not diversified to any extent, and the Endowment and PreNeed Funds are restricted revenue, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

EVCD's General Fund unassigned fund balance of \$3,023,835 for FY 22/23 is approximately 267% of expenditures for the year. The District's combined Endowment and PreNeed Funds restricted fund balance of \$1,145,324 for FY 22/23 as compared to no expenditures from these funds is a significant ratio. These fund balance ratios fall well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

EVCD has no bond or secured debt. Therefore, no ratio to assess, which in turn is a positive aspect to overall financial stability. The District does maintain minor compensated absence long term liability, and insignificant amount annually as compared to annual expenditures.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

EVCD's FY 22/23 ending net position was calculated by the auditors at \$8,117,802 with \$5,822,352 as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a large amount of Net Position includes Capital Assets which is mostly cemetery grounds and the buildings on site that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show an upward trend annually which is a positive indicator for the District. It should be noted that the General Fund, the Capital Fund and the Endowment Fund and PreNeed Funds show positive overall increases in the last three fiscal years reviewed.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented,

many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

EVCD does not have any pension or OPEB unfunded liabilities. The District employee pension program is a 401(k) defined contribution plan with the District contributing a 100% match to the employee contribution up to 4% of the employee annual salary. The District does not provide other post-employment benefits for retirees.

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

EVCD's capital assets include primarily the office facilities, workshop and storage facility, equipment, and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$1,924,382 in capital assets and \$567,923 in accumulated depreciation, resulting in \$1,356,459 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does review long term capital improvements as part of an annual budget process, and reports a longer term Strategic Plan is under development.

The Capital Outlay Fund as of June 30, 2023, reflects \$2,614,261 available for future expenditures for capital improvements. . It should be noted that some capital type projects that benefit the cemetery and the public use can be funded with Endowment and PreNeed Fund's assets.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

EVCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care and PreNeed fees. As one of the primary sources of revenue for operating and maintaining the cemetery property, these fees are updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

The following page provides the EVCD fee schedule provided by the District.



Elsinore Valley Cemetery District

Endowment is collected for each Interment and is nonrefundable per CA Health & Safety Code 8738(ab1,2,3,4)

Single Plot		Single Cremation Plot	
Plot	\$ 1,830.00	Plot	\$ 1,134.00
Endowment	\$1,080.00	Endowment	\$1,080.00
Open/Close	\$1,038.00	Open/Close	\$ 438.00
Vault	\$ 582.00	Vault	\$ 72.00
Setting Fee	\$ 102.00	Setting Fee	\$102.00
TOTAL	\$ 4,632.00	TOTAL	\$ 2,826.00
Double Depth Plot		Burial 1	Double Depth Cremation <i>Same Site</i> Burial 1
Plot	\$ 3,324.00	Plot	\$ 1,332.00
Endowment	\$ 1,080.00	Endowment	\$ 1,080.00
Open/Close	\$ 1,182.00	Open/Close	\$ 438.00
Vault	\$ 582.00	Vault	\$ 72.00
Setting Fee	\$ 102.00	Setting Fee	\$ 102.00
TOTAL	\$ 6,270.00	TOTAL	\$ 3,024.00
Double Depth Plot		Burial 2	Double Depth Cremation <i>Same Site</i> Burial 2
Endowment	\$ 1,080.00	Endowment	\$ 1,080.00
Open/Close	\$ 1,182.00	Open/Close	\$ 438.00
Vault	\$ 582.00	Vault	\$ 72.00
Setting Fee	\$ 102.00	Setting Fee	\$ 102.00
TOTAL	\$ 2,946.00	TOTAL	\$ 1,692.00
In Memoriam		Niche Wall (10x10x10) & (11x11x11) Top 2 Rows	
Engraving on side of Niche Wall(s) (Name, Birth, Year and Death Year ONLY)	\$ 180.00	Niche	\$ 1,440.00
		Endowment	\$ 1,080.00
		Open/Close	\$ 438.00
		Engraving	\$ 210.00
		TOTAL	\$ 3,168.00
Miscellaneous Charges		Niche Wall (10x10x10) & (11x11x11) Middle 2 Rows	
Bench – curved around tree	\$ 450.00	Niche	\$ 1,440.00
Straight – at curb	\$ 546.00	Endowment	\$ 1,080.00
Oversize Vault Charge	\$ 600.00	Open/Close	\$ 438.00
Non-Resident Full Burial	\$ 1,200.00	Engraving	\$ 210.00
Non-Resident Cremains	\$ 900.00	TOTAL	\$ 3,168.00
Headstone Removal	\$ 120.00	Niche Wall (10x10x10) & (11x11x11) Bottom Row	
Marker Disposal	\$ 90.00	Niche	\$ 1,440.00
Single Full-Size Plot (up to 6 cremains)	\$ 840.00	Endowment	\$ 1,080.00
Marker Size 16 x 28, Marker Setting Fee for Cremains in Full Plot	\$ 102.00	Open/Close	\$ 438.00
		Engraving	\$ 210.00
		TOTAL	\$ 3,168.00
Disinterment		Niche Wall (10x10x10) & (11x11x11) Burial 2	
Single Plot	\$ 3,000.00	Niche Wall (10x10x10) (Double) Niche & (11x11x11)	
Double Depth Level 1 Plot	\$ 4,200.00	Endowment	\$ 1,080.00
Double Depth Level 2 Plot	\$ 5,400.00	Open/Close	\$ 438.00
Cremation (each)	\$ 600.00	Engraving	\$ 210.00
Niche	\$ 300.00	TOTAL	\$ 1,728.00
Licensed Mortician must be present for disinterment of full plot/body. (Cost and Court fees to be paid by family)	Permit is Mandatory		
Bench placement after purchase is determined by Staff.		Endowment	\$ 1,080.00
Tree placement after donation is determined by Staff.		Open/Close	\$ 438.00
Non-Resident – Interment Eligibility must be verified prior to purchase.		Engraving	\$ 210.00
No Interment may take place without a valid Riverside County Burial Permit		TOTAL	\$ 1,728.00
Credit Card Charge is 3% of each transaction amount.			

Revised July 1, 2024

Cost Avoidance Programs

As previously noted, EVCD maintains three Committees: Finance, Engineering and Military, that have been created to oversee projects on the cemetery grounds. These are specific to annual events or programs and are monitored for cost effectiveness and budgeted each year. The District notes that it constantly strives to provide the most efficient and effective service to the public. They accept constructive criticism and make a strong effort to address any/all concerns as there is always room for improvement. Additionally, the District is working on a longer term plan to address the challenges and concerns regarding funding for capital and operational requirements, and develop a workable plan to implement for future revenue, reserves, capital funding, and to create improved overall efficiency.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are seven disadvantaged unincorporated communities related to the City of Lake Elsinore and none for the City of Canyon Lake within EVCD’s boundaries/SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for EVCD. The last SOI updates were performed in 2005 and 2016.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to EVCD at this time:

Maintain the status quo.

EVCD’s government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a relatively small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District’s current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission’s consideration:

1) Growth and Population Projections

- EVCD currently serves an estimated population of approximately 103,857 over a geographical area of approximately 105.2 square miles. The District

encompasses the Cities of Lake Elsinore and Canyon Lake and adjacent unincorporated Riverside County.

- The District's service area most likely has potential for growth most notably within the cities it serves and in portions of the unincorporated areas in the District.
- Although the District does not retain any land use planning and entitlement authority as those functions are reserved for cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.*

- There are seven disadvantaged unincorporated communities related to the City of Lake Elsinore within the District boundaries/SOI.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- The EVCD provides the services it has intended to provide with no significant issues since its establishment.
- The District does not have any service constraints at this time and is fully capable of providing adequate services to the current District boundaries for the near and long term.
- The District notes that there are no areas that would present difficulty providing adequate levels of service or that would be particularly expensive to serve, and the District is meeting the needs of the public in a cost-effective and efficient manner with no current or projected constrictions on service delivery.
- There are no deficiencies related to the seven DUCs identified within or near the District's SOI.

4) *Financial Ability of the District to Provide Services*

- EVCD has the financial ability to fund the current level of services provided.
- The District operates effectively and efficiently as possible with reasonably sized staff to minimize administrative overhead costs.

- Sufficient revenues and ability to set charges for services commensurate with costs of services allows the District to maintain financial stability.
- The Endowment Permanent and PreNeed Funds maintain sufficient revenues for long term stability in cemetery longevity.

5) *Status of, Opportunities for Shared Facilities*

- There is no foreseeable opportunity for shared facilities as EVCD only provides cemetery services and only maintains buildings to support direct cemetery operations. Primary infrastructure is limited to the cemetery grounds.

6) *Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.*

- EVCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 6 personnel.
- Service needs are being met by the District without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- The District primarily conducts outreach via its website, Board of Trustee meetings and direct interface with customers.
- Direct email contact information is not listed for Board of Trustee members, however, and no staff reports are provided with the agendas that are posted on the District website. Financial information such as annual budgets and audits are available on the website, including a comprehensive fee schedule along with a burial search portal and various other items related to services provided.
- No alternative government structure options are considered superior to the current structure at this time.

7) *Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.*

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

EVCD's sphere of influence is primarily coterminous with its current service boundary with 3 areas within the District SOI outside the District boundaries north of the Cities of Lake Elsinore and Canyon Lake.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, the current SOI is sufficient to remain as is at this time. Areas adjacent to the District's SOI are either bounded by another cemetery district, or in areas that are not likely to be developed in the foreseeable long-term future.

Sphere of Influence Options

One option is identified with respect to EVCD's SOI.

Option #1: Maintain the current SOI.

Should the LAFCO Commission desire to continue to reflect the intention to maintain EVCD's existing SOI, then re-affirmation of the current SOI is appropriate.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

- 1) ***The present and planned land uses in the area, including agricultural and open-space lands.***
 - EVCD is not an authorized land use planning authority. The Cities of Lake Elsinore, Canyon Lake and the County of Riverside are responsible for land use planning within their respective jurisdictions.
 - Current land use and zoning is a mix of urban development and a rural mix.
 - It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the rural areas.
- 2) ***The present and probable need for public facilities and services in the area.***
 - EVCD current services are considered adequate to support the area, and sufficient capacity exists to support future growth within the current District boundaries and SOI.
 - There is no foreseeable need for procurement of additional land for providing sufficient interment sites to support current and future growth.

- Expansion of services will require sufficient revenues to support the cost of any service expansion.
- 3) ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.***
- Sufficient capacity of EVCD’s current facilities exists to support providing adequate public services authorized and being provided in the short term. The District is in the process of developing a long-term plan for facility improvements.
 - Sufficient existing undeveloped cemetery land will support long-term interment services provided.
- 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.***
- There are no specific socio or economic “communities of interest” within the EVCD jurisdictional boundaries that are serviced by the District.
 - There does exist areas of low-income level residents scattered throughout portions of the District, and a diverse population.
- 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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.***
- There are seven disadvantaged unincorporated communities related to the City of Lake Elsinore and none for the City of Canyon Lake within EVCD’s boundaries/SOI.
 - The District does not provide water, wastewater nor fire protection services.
 - Cemetery services in these communities are subject to the residency requirements of the District.

Chapter 3- Murrieta Valley Cemetery District

OVERVIEW / BACKGROUND

The Murrieta Valley Cemetery District (MVCD or District) was officially formed in 1938 as a special district in accordance with the state Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. Prior to that time, the cemetery operated as a privately owned public cemetery prior to 1886. (see below for more historical information). The District encompasses approximately 107,468 acres (168 sq. mi.) including the City of Murrieta and large unincorporated areas to the southwest of the Cities of Murrieta, Temecula and Wildomar, including La Cresta, Santa Rosa Plateau and De Luz. Population served is estimated by the District at approximately 113,783 in 2023.

Historical Information (MVCD Website)

“Visitors to Laurel Cemetery in Murrieta no doubt have often wondered just who, or what, was responsible for its formation and location, near the mountains on Ivy Street, southwest of the town which it overlooks.

In 1873, Juan Murrieta occupied land in the valley for sheepherding, and in 1884, he sold what would be eventually known as Murrieta to the Temecula Land and Water Company.

History tells of burial grounds before the year 1886, when a baby was buried on the land that, in 1963, was known as the Thorobred Paradise horse ranch and of the burial of some early settlers on the hill where Mr. and Mrs. Mack Stone had their home. These remains were later moved to the present site.

Cemetery records were lost for many years until Mike Mance, because of his interest in Murrieta history, located the deed to the property and uncovered many items of interest for the cemetery trustees.

The deed reads as follows:

“Temecula Land and Water Company, a corporation formed under the laws of the State of California, will sell to A.B. Burnett, C.J. Davis, R.W. Bollen, D.L. Connell and H.B. Lashlee, all of Murrieta, for the sum of one dollar U.S. gold coin, all that real property situated in the County of San Diego, State of California described as follows:

“To wit commencing at a point 1650 ft. from the intersection of Hayes Avenue in westerly direction along said Ivy St., thence southerly 660 ft. to a point, thence westerly 660 ft. to a point, thence northerly direction 660 ft. to a point on Ivy St., thence along said Ivy St. in easterly direction 660 ft. to the point of beginning, said to contain 10 acres more or less, situated in the Murrieta Portion of the Temecula Rancho, county of San Diego, State of California”.

After the deed was given to the trustees in 1886, community spirit prevailed in caring for the burial plots. Groups would take picnic baskets and spend the better part of a day with hoes and rakes, keeping the graveyard neat and clean.”

MVCD provides services to residents outside of its service boundary under specific eligibility requirements. MVCD’s sphere of influence is coterminous with its current service boundary.

Mission Statement:

“The mission of the Murrieta Valley Cemetery District is to serve the community of Murrieta by meeting its residents final needs with empathy and dignity. The District resolves to maintain and further develop its historic Laurel Cemetery and additional property that may be necessary to meet community needs. It recognizes its special role in preserving the heritage of the Laurel Cemetery and past generations while respecting the needs of present and future generations.”

MVCD also maintains a Vision Statement as noted:

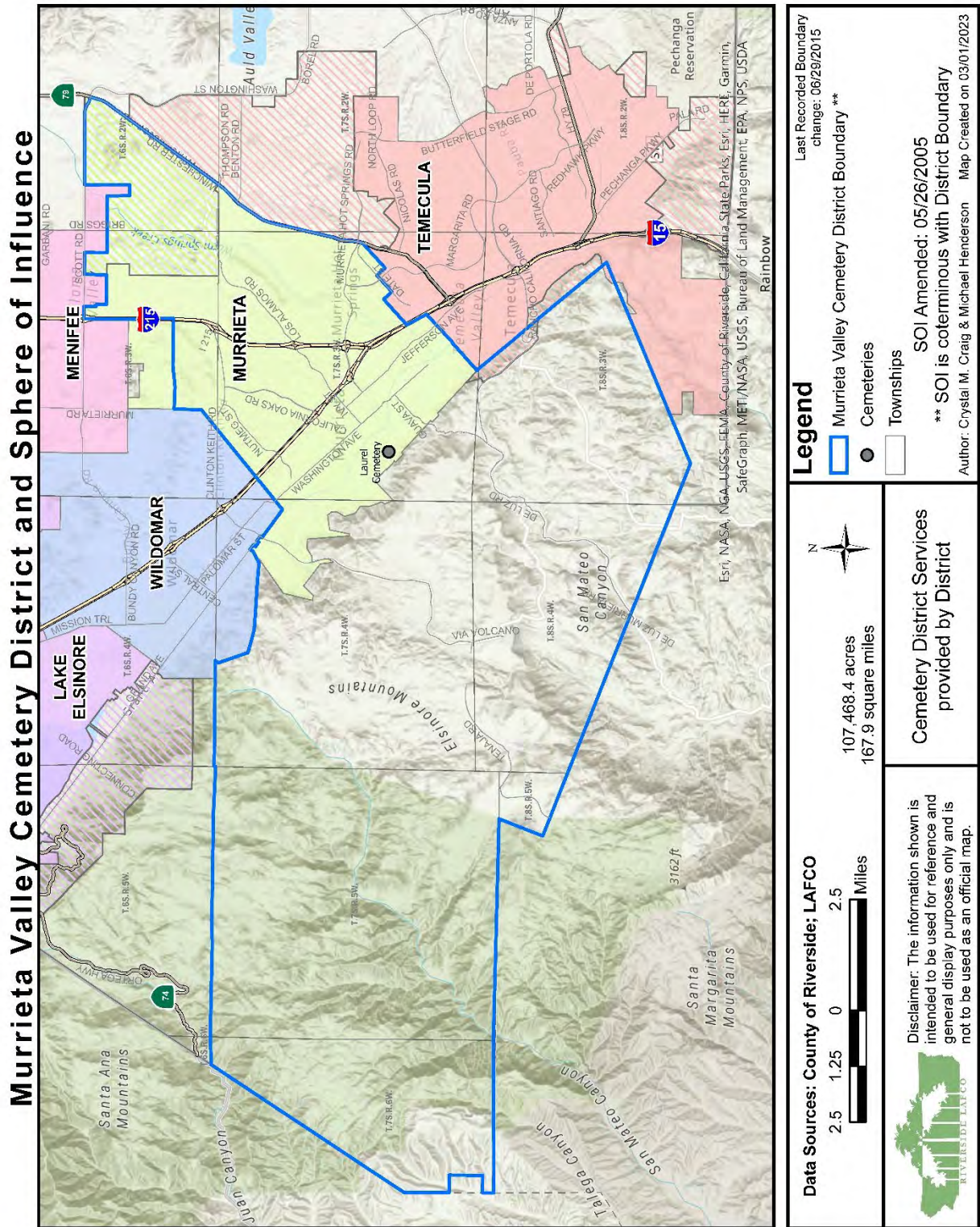
“It is the vision of the Murrieta Valley Cemetery District, also known as Laurel Cemetery, to provide the highest level of services to residents of Murrieta and to the deceased, with dignity, care and compassion, while moving to the future and maintaining its history.”

On the following pages, **Table 3-1** provides a snapshot profile of MVCD, and **Figure 3-1** provides a map of the District’s current boundary and SOI.

Table 3-1 Profile – Murrieta Valley Cemetery District

General Information			
Agency Type	Municipal – Public Cemetery District		
Principal Act	California Health & Safety Code Section 9000 et. seq.		
Date Formed	1938		
Services Provided	Casket & Cremation Burials, Niche Columbarium		
Location	Cemetery & Facility location: 42800 Ivy Street, Murrieta, CA 92562 (951) 677-4223		
Sq. Miles/Acres	Approximately 107,468 Acres (168 sq. miles) service area. Cemetery – 10 acres		
Contact	Michael Sauer, General Manager OM@murrietacemetery.org		
Website	www.murrietacemetery.org		
Population Served	Estimated 113,783		
Last SOI Update	2005		
Governance/Staffing			
Governing Body	5-member Board of Trustees, appointed by the Riverside County Board of Supervisors		
Terms	4-year staggered terms		
Meeting Information	4th Tuesday of the Month at 2:00pm at the District Office, 42800 Ivy Street, Murrieta, CA 92562		
Total Staff	Approximately 4 employees (augmented with contract Counsel)		
Staff Categories	General Manager, Office Manager, Groundskeepers		
Facilities/Other Infrastructure			
Facilities	District Facility		
Other Infrastructure	10 acre developed cemetery		
Financial Information- FY 22/23 Actuals (Audited Financial Statements)			
	Revenues	Expenditures	Net Surplus/(Deficit)
General Fund	\$816,415	\$648,022	\$168,393
Endowment Fund	\$135,178	\$0	\$135,178
Combined Funds	\$951,593	\$648,022	\$303,571
	FY 22/23	Long Term Planned Expenditures	
Capital Expenditures	\$0	None.	
General Fund Balance	\$1,413,750	June 30, 2023 Financial Statement	
Endowment Fund Balance	\$1,229,957	June 30, 2023 Financial Statement	
Unrestricted Net Assets	\$1,382,753	June 30, 2023 Financial Statement	
Capital Assets (Net)	\$529,563	June 30, 2023 Financial Statement	
Net Position (Combined)	\$3,142,673	June 30, 2023 Financial Statement	
Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2023			
Long Term Debt	MVCD has no long-term liabilities, bond or secured debt		
Unfunded Pension Liability	\$97,990		
Unfunded OPEB Liability	MVCD has no unfunded OPEB liability		
Notes			

Figure 3-1- Boundary/SOI Map – Murrieta Valley Cemetery District



GROWTH AND POPULATION PROJECTIONS

MVCD currently serves an estimated population of approximately 113,783 over a geographical area of approximately 168 square miles. The District encompasses the City of Murrieta and large unincorporated areas to the southwest of the Cities of Murrieta, Temecula and Wildomar, including La Cresta, Santa Rosa Plateau and De Luz. The District's service area most likely has potential for growth most notably within the City of Murrieta and in portions of the unincorporated areas in and adjacent to the District.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the City of Murrieta's population to increase by 20.2% over the next 20 years, with relatively light population growth in the surrounding unincorporated areas.

ACCOUNTABILITY AND GOVERNANCE

Governance

MVCD is governed by a five-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The MVCD Board of Trustees meets every 4th Tuesday of the month at 2:00pm at the District Office, 42800 Ivy Street, Murrieta, CA 92562. The District's Board of Trustees consists of a Chair, Vice Chair, and three Trustees. There is one current vacancy on the Board of Trustees. All ethics and Form 700 filings are current.

MVCD Board of Trustees	Term Expires
Connie McConnell	2027
Jennifer Mejares-Pham	2027
Heather Penko	2029
Kassen Klein	2029
Vacant	

The Board of Trustees has no standing or ad hoc committees.

Website Transparency

The MVCD website is well organized and hosts a wide variety of information regarding the cemetery services provided by the District. Information provided includes announcements for any special event that may occur at the cemetery, a burial search portal and a payment portal, and a very detailed listing of the fees charged for the various

burial options available for selection, and detailed policies and procedures for utilization of the cemetery property. The website also includes significant amounts of information and frequently asked questions on services and facilities.

Meeting agendas are posted on the District's website, with some background information on agenda items provided, however, no written staff reports if existing. Board minutes are also posted after approval. The website does not contain direct email addresses to contact Board members for direct access, or District management staff. All email contact is through the District email which is included on the website. Pertinent financial information for the District including budgets and annual audits are not included on the district website. Staff compensation information is available on the website.

Customer/Constituency Communication

MVCD informs constituents, patrons, and customers of activities and services primarily through their website. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons. The District is a member of the Murrieta Wildomar Chamber of Commerce. District staff and trustees attend many community events sponsored by the City and or Chamber of Commerce.

Customer/Constituency Accountability

MVCD is proactive in its efforts for ensuring the patrons and customers have access to all information relevant to the facilities and services provided. As noted previous, the District maintains a detailed Rules and Regulations document for the use of the cemetery on the District website.

Staff is the initial and primary contact with all patrons. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount. The District notes it can receive complaints via email, written, fax or in person. The District reports that they have had no formal complaints in years. If a complaint is received, the General Manager is the primary staff responsible for complaint resolution.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the General Manager for staff and the Board of Trustees for the General Manager.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

MVCD currently provides cemetery burial and cremation niches for all residents within its boundaries and to residents outside of its service boundary under specific eligibility requirements. These communities are serviced at an additional non-resident fee. Laurel Cemetery, also known as Murrieta Cemetery, offers traditional in-ground casket burials, double-depth casket burials, cremation burials, and most recently, a niche

columbarium. A key aspect of the services provided include maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. Additionally, the District only contracts for annual audit services and legal counsel as needed. The District does not provide contract services to other agencies.

Facilities/Infrastructure

The MVCD District Office and cemetery are located 42800 Ivy Street, Murrietta, CA 92562. The cemetery includes 10 acres of developed cemetery property of which approximately two acres remain of available space, with no additional undeveloped property for future expansion, and no other facility or other infrastructure owned or maintained by the District.

Service Adequacy

MVCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any service constraints at this time and is fully capable of providing adequate services to the current District boundaries. However, the District does report that it has capacity issues as the current cemetery is running out of available land. The District anticipates that the present cemetery will be built out within 6-7 years at the current rate of service, and potentially a little longer if the growing trend of cremations continues as is occurring presently.

The District is actively looking for land that is viable and economically feasible to procure for expansion of cemetery burial spaces. This will be necessary to support not only existing needs of residents, but to support future growth with no difficulty nor constraints. There are no other service providers in the District that would constitute a duplication of services.

The District reports that operations and productivity are evaluated as needed, however have no formal processes in place at this time. The District notes that it tracks specific staff workload through timecards. Long-term objectives and goals are presently focused on acquiring additional land for future development of cemetery spaces. The District does utilize various statistical and historical trends from the District's community management software system for forecasting service needs.

The following statistical information has been provided by the District:

Total number of spaces and number available- 3,880 total, 271 available.

Spaces filled each year on average- 130-140. For the 3 fiscal years 19/20- 21/22- 364.

Plots/niches occupied- 2,144.

Plots/niches remaining- 1,065.

Current amount of pre-purchased plots/niches- 794.

Capacity of District owned undeveloped land- approximately 1,000 full plots and 600 niches.

Facilities/Infrastructure Needs

MVCD, as noted previously, is actively looking for additional viable and economically feasible land to acquire for additional cemetery site expansion. This is an important priority for the District to ensure long term ability to serve the residents and patrons of the District. There are no presently noted financial constraints under which the District operates.

The District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does anticipate funding additional facilities in the near or far term future as it continues to seek available land to expand the cemetery due to the current cemetery space running out. The District does set aside some funding for any potential short-term needs, including equipment replacements.

Cooperative Programs

MVCD does not participate in cooperative programs and other cooperative endeavors with other agencies or organizations, nor does it participate in any regional planning and programs. The District is not a member of any Joint Powers Authority.

FINANCIAL OVERVIEW

MVCD carries all operational budgeting and accounting in two funds, the General Fund and the Endowment Permanent Perpetual Care Fund (Endowment Fund). The General Fund carries all administrative and operational expenditures not covered by the other funds. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The two combined funds comprise the “Governmental Funds” as reported in the annual audit documents.

The District conducts an independent audit annually, the last three years reflecting an “unmodified” opinion, and provides all required reporting to the State Controller’s Office as required by statutes.

As of FY 22/23 the District has no debt and a nominal unfunded pension liability, no OPEB liability and no other long-term liabilities. For the period of fiscal years FY 18/19 – FY 22/23 the Endowment Fund received \$498,310 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its governmental funds reporting a combined fund balance of \$2,643,707, which is above the previous year's ending fund balance of \$2,340,136. The primary driver of the increased fund balance is due primarily to increased end of year surpluses in the General Fund and the Endowment Fund.

Overall, the financial position of the District is considered very stable at this time, with sufficient unrestricted fund balance available for short term potential revenue/expenditure

deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels currently. However, as noted by the District, unless additional land is secured for expansion of the cemetery, the cemetery will be filled to capacity in the not too distant future.

Table 3-2 following, provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 3-2- Financial Information- Murrieta Valley Cemetery District

Financial Information (Actuals- Audited Financial Statements)			
	FY 22/23	FY 21/22	FY 20/21
General Fund Revenues/Transfers	\$816,415	\$710,464	\$722,051
General Fund Expenditures/Transfers	\$648,022	\$655,973	\$455,797
General Fund Surplus/(Deficit)	\$168,393	\$54,491	\$266,254
Endowment Fund Revenues/Transfers	\$135,178	\$101,520	\$129,175
Endowment Fund Expenditures/Transfers	\$0	\$0	(\$66)
Endowment Fund Surplus/(Deficit)	\$135,178	\$101,520	\$129,109
Capital Outlay	\$0	\$0	\$0
Debt Service Expenditures	N/A	N/A	N/A
Long Term Liabilities	N/A	N/A	N/A
Unrestricted Net Assets (Reserve)	\$1,382,753	\$1,222,567	\$1,165,195
Restricted Net Assets (Reserve)	\$1,229,957	\$1,094,779	\$993,259
Capital Assets (Net of Depreciation)	\$529,563	\$584,467	\$551,645
Unfunded Pension Liability	\$97,990	\$30,267	\$79,566
Unfunded OPEB Liability	N/A	N/A	N/A
Net Position	\$3,142,673	\$2,905,096	\$2,685,461

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

For MVCD, the General Fund revenue trend has been relatively steady. The expenditure trend has fluctuated similarly over the listed three fiscal years. However, the General Fund overall has reflected annual surpluses over the three year period. The Endowment Fund reflects similar characteristics with annual end of year surpluses over the 3 fiscal years reviewed.

These trends appear to represent a somewhat stagnant growth scenario that when factoring in rising costs, may ultimately reflect in degradation of services. However, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency’s ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn’t always possible in some agencies.

MVCD in FY 22/23 received approximately 14.2% of its overall revenues from payments into the Endowment Fund. The General Fund received approximately 52.1% of its revenue from property taxes, 42.7% from charges for services, and the remainder from miscellaneous sources.

Since the District’s revenue stream for the General Fund is not diversified to any extent, and the Endowment Fund is restricted revenue, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

MVCD's General Fund unassigned fund balance of \$1,232,527 for FY 22/23 is approximately 190% of expenditures for the year. The District's Endowment Fund restricted fund balance of \$1,229,957 for FY 22/23 as compared to no expenditures from this fund is a significant ratio. These fund balance ratios fall well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

MVCD has no bond or secured debt. Therefore, no ratio to assess which in turn is a positive aspect to overall financial stability. The District does maintain an insignificant pension unfunded liability and no OPEB liability discussed later in this report.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

MVCD's FY 22/23 ending net position was calculated by the auditors at \$3,142,673 with \$1,382,753 as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a large amount of Net Position includes Capital Assets which is mostly cemetery grounds that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show an increasing trend annually which is a positive indicator for the District. It should be noted that both the General Fund and the Endowment Fund show positive increases in the last three fiscal years reviewed.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented, many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

MVCD maintains \$97,990 in pension unfunded liability, and no Other Post Employment Benefits (OPEB) unfunded liability as per the audit report for the fiscal year ending June 30, 2023. These amounts should be considered insignificant to any major impact to the overall financial stability of the District.

The employee pension program is the Cost Sharing Multiple-Employer Defined Benefit Pension Plan administered by CalPERS. The District does not participate in a OPEB plan.

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

MVCD's capital assets include primarily the office facility, equipment, and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$1,288,751 in capital assets and \$759,188 in accumulated depreciation, resulting in \$529,563 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does anticipate funding additional facilities in the near or far term future although it continues to seek available land to expand the cemetery as the current cemetery space is running out. The District has committed \$150,226 to future capital improvements from the General Fund unrestricted assets as noted in the FY 22/23 audit report.

The District budgets priority infrastructure maintenance and improvement projects based on annual availability of revenue resources. It should be noted that some capital type projects that benefit the cemetery and the public use can be funded with Endowment Fund assets.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

MVCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care fees. As one of the primary sources of revenue for operating and maintaining the cemetery property, these fees are

updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

The following provides the District's fee schedule from the District website.

Murrieta Valley Cemetery District

*****PLEASE SEE RESIDENCY REQUIREMENTS*****

MURRIETA RESIDENTS ONLY or QUALIFIED Non-Resident: (Per Health & Safety Code § 9001g).

- If deceased did not live in Murrieta but has family buried here.
- Must show proof they lived in Murrieta for 5 consecutive years and moved away less than 10 years ago.
- A property or business owner in Murrieta.

A Non- Resident Fee is charged per each interment/inurnment \$1,550.00 (H&S #9060)

Endowments are required upon purchase of plot/niche.

Endowments are Non-Refundable and go towards the perpetual care of the cemetery.

BURIAL PRICING

Plot:	\$1450.00 Single Full Burial Plot
Endowment*	\$1150.00
Burial Cost	\$1670.00
Marker setting or removal and replace	\$260.00 Single 16" x 28" x 3" or 12" x 24" x 3" (18" x 30" x 3")
<hr/>	
Double Depth Burial Plot:	\$2170.00
Endowment*	\$1150.00
Burial Cost	\$2075.00 Lower (First burial)
\$1670.00 Upper (Second burial)	
Marker setting or removal & replace	\$260.00 Single 16" x 28" x 3" or 12" x 24" x 3" (18" x 30" x 3")
<hr/>	
Cremation Plot/Infant (In Ground)	\$980.00
Endowment*	\$1150.00
Burial Cost	\$640.00
Marker setting or removal & replace	\$260.00 Single 16" x 28" x 3" or 12" x 24" x 3" (18" x 30" x 3")
<hr/>	
Niche Columbarium (Above Ground)	
Tier 1 (Top level)	\$1030.00
Tier 2 (Second row from top)	\$930.00
Tier 3 (Third row from top)	\$830.00
Tier 4 (Lower level)	\$730.00
Endowment*	\$1150.00
Open/Close	\$210.00
Marker Setting	\$110.00 Bronze Marker 7.0" x 3.0"
Optional Item:	
Niche Wall Vase	\$185.00 4" Bronze with Base
Replacement Vase	\$100.00 (Vase Only)
<hr/>	
Ossuary	\$260.00
Endowment	\$260.00

Murrieta Valley Cemetery does not sell markers. They can be purchased through your Mortuary

Prices are subject to change without notice

Murrieta Valley Cemetery District

Phone 951.677.4223 Fax 951.677.5559

www.murrietacemetery.org/

- Revised 01/01/2023

Cost Avoidance Programs

MVCD reports that they have no formal cost avoidance programs in place at this time. Due to the nature of the limited services provided by the District, there is very little ability for the District to implement cost avoidance programs on any significant level. The District's financial status is generally sound, the operations of the District are appropriately managed for the services performed.

The District does note that efficiencies can be gained by installing pre-set burial vaults that would save time for interment operations, however, this scenario would require significant expenditures upfront.

DISADVANTAGED UNINCORPORATED COMMUNITIES

LAFCO has determined that there are no DUC's within or contiguous to MVCD's sphere of influence, therefore no additional analysis is required for MVCD in this report.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for MVCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to MVCD at this time:

Maintain the status quo.

MVCD's government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District's current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission's consideration:

1) *Growth and Population Projections*

- MVCD currently serves an estimated population of approximately 113,783 over a geographical area of approximately 168 square miles. The District encompasses the City of Murrieta and large unincorporated areas to the

southwest of the Cities of Murrieta, Temecula and Wildomar, including La Cresta, Santa Rosa Plateau and De Luz.

- MCVD's service area most likely has potential for growth most notably within the City of Murrieta and in portions of the unincorporated areas in and adjacent to the District.
- Although MCVD does not retain any land use planning and entitlement authority as those functions are reserved for cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.
- Most growth is likely to occur within the City of Murrieta's boundaries with some in adjacent unincorporated areas.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.*

- There are no Disadvantaged Unincorporated Communities related to the City of Murrieta nor within or near MVCD's SOI.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- MVCD provides the services it has intended to provide with no significant service issues since its establishment. The District does have a significant capacity issue at this time, as cemetery space is nearly exhausted at the current location. The District is fully capable of providing adequate services to the current District boundaries for the near term.
- MVCD has the present capacity to provide services within the District but with the capacity constraints noted, ability to support future growth is questionable unless additional land is obtained for expansion.
- There are no DUCs associated with the District therefore no deficiencies noted.

4) *Financial Ability of the District to Provide Services*

- MVCD has the financial ability to provide the current level of services provided.
- MVCD operates effectively and efficiently as possible with limited staff to minimize administrative overhead costs.

- Sufficient revenues and ability to set charges for services commensurate with costs of services allows MCVD to maintain financial stability.
- The Endowment Permanent Fund maintains substantial revenues for long term stability in cemetery longevity.

5) *Status of, Opportunities for Shared Facilities*

- There is no foreseeable opportunity for shared facilities as MCVD only provides cemetery services and only maintains an office building with no other structures. Primary infrastructure is limited to the cemetery grounds.

6) *Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.*

- MVCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 4 personnel.
- Service needs are being met by MVCD without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- MVCD primarily conducts outreach via its website, Board of Trustee meetings and direct interface with customers.
- No direct email contact information is listed for Board of Trustee members, and no staff reports are provided with the agendas that are posted on MVCD's website. Financial information such as annual budgets and audits are not available on the website, however, a comprehensive fee schedule is available on the website along with a burial search portal and payment portal.
- No alternative government structure options are considered superior to the current structure at this time.

7) *Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.*

- A significant issue facing MVCD is lack of additional cemetery space for development in the future, with the current cemetery very near capacity. The District notes this issue and has been actively seeking additional affordable land to procure for expansion. The City of Murrieta and the County should be encouraged to take note of this situation and engage the District in assisting in their acquisition efforts.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

MVCD's sphere of influence is coterminous with its current service boundary.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, the current coterminous SOI is sufficient to remain as is at this time. Areas adjacent to the District's SOI are either bounded by another cemetery district, or in areas that are not likely to be developed in the foreseeable long-term future.

Sphere of Influence Options

One option is identified with respect to MVCD's SOI.

Option #1: Maintain the current SOI.

Should the LAFCO Commission desire to continue to reflect the intention to maintain MVCD's existing SOI, then re-affirmation of the current SOI is appropriate.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

- 1) ***The present and planned land uses in the area, including agricultural and open-space lands.***
 - MVCD is not an authorized land use planning authority. The City of Murrieta and the County of Riverside are responsible for land use planning within their respective jurisdictions.
 - Current land use and zoning is a mix of urban development and a rural mix.
 - It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the area.
- 2) ***The present and probable need for public facilities and services in the area.***
 - Current services are considered adequate to support the area, however support of future growth within the current MVCD boundaries and SOI will be impacted due to lack of cemetery space.

- There is a critical need for expansion of available land for providing sufficient interment sites to support current and future growth.
 - Expansion of services will require sufficient revenues to support the cost of any service expansion.
- 3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.***
- Sufficient capacity of current facilities exists to support providing adequate public services authorized and being provided in the short term.
 - Long term services will require additional land for interment services provided.
- 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.***
- There are no specific socio or economic “communities of interest” within the MVCD jurisdictional boundaries that require special attention.
 - There are some low income and disadvantaged areas scattered throughout the District boundaries which are serviced by MVCD.
- 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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.***
- There are no Disadvantaged Unincorporated Communities related to the City of Murrieta nor within or near MVCD’s SOI.
 - The District does not provide water, wastewater nor fire protection services.

Chapter 4- Palm Springs Cemetery District

OVERVIEW / BACKGROUND

The Palm Springs Cemetery District (PSCD or District) was officially formed in 1917 as a special district in accordance with the State of California Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. Prior to that time, the cemetery operated as a privately owned public cemetery when it was established for the early settlers by Welwood Murray in 1894. (see below for more historical information). The District encompasses approximately 320,551.8 Acres (500.9 sq. mi).

PSCD operates two cemeteries: the Welwood Murray Cemetery in Palm Springs, and Desert Memorial Park in Cathedral City. These public cemeteries serve residents of the Cities of Cathedral City, Desert Hot Springs, Palm Springs, most areas of Rancho Mirage, and unincorporated areas of North Palm Springs, Sky Valley, Thousand Palms, and to the north to the San Bernardino County Line and to the south to the San Diego County line. Population served is estimated by the District at approximately 166,808 in 2024.

Historical Information (PSCD Website and interment.net)

Interment.net reports that “this is the first community cemetery in Palm Springs and was established for the early settlers by Welwood Murray in 1894, the first burial being his son, Welwood Erskine Murray.”

PSCD notes that “Palm Springs pioneer Dr. Welwood Murray established a two-acre private cemetery on August 29, 1917, after his son George passed way. Dr. Murray was one of the desert’s large landowners who established the first hotel in Palm Springs in 1886.

Many prominent civic and community leaders, as well as many famous desert pioneers are buried in the Welwood Murray Cemetery, including Earl C. Coffman, Nellie Coffman, Frank Shannon, Florian Boyd, Virginia Valli Farrell and Katherine Finchy.

As time went by it was necessary to find a larger cemetery space to serve the growing valley. On October 31, 1956, Desert Memorial Park was opened at the corner of Ramon Road and Da Vall Drive. Celebrities such as Busby Berkeley, Sonny Bono, Betty Hutton, Magda Gabor, Frederick Lowe, Cameron Mitchell, William Powell, and Frank Sinatra have chosen Desert Memorial Park as their final resting place.”

Mission Statement:

“To manage and maintain an attractive, safe and serene cemetery environment, and provide cost effective interment services for our community, families and friends.”

PSCD also maintains a Vision Statement as noted:

To preserve the beauty, tranquility and heritage of the cemetery while growing with the community we serve.

PSCD provides services to residents outside of its service boundary under specific eligibility requirements. PSCD's sphere of influence extends to the northwest of the District's jurisdictional boundary in one area.

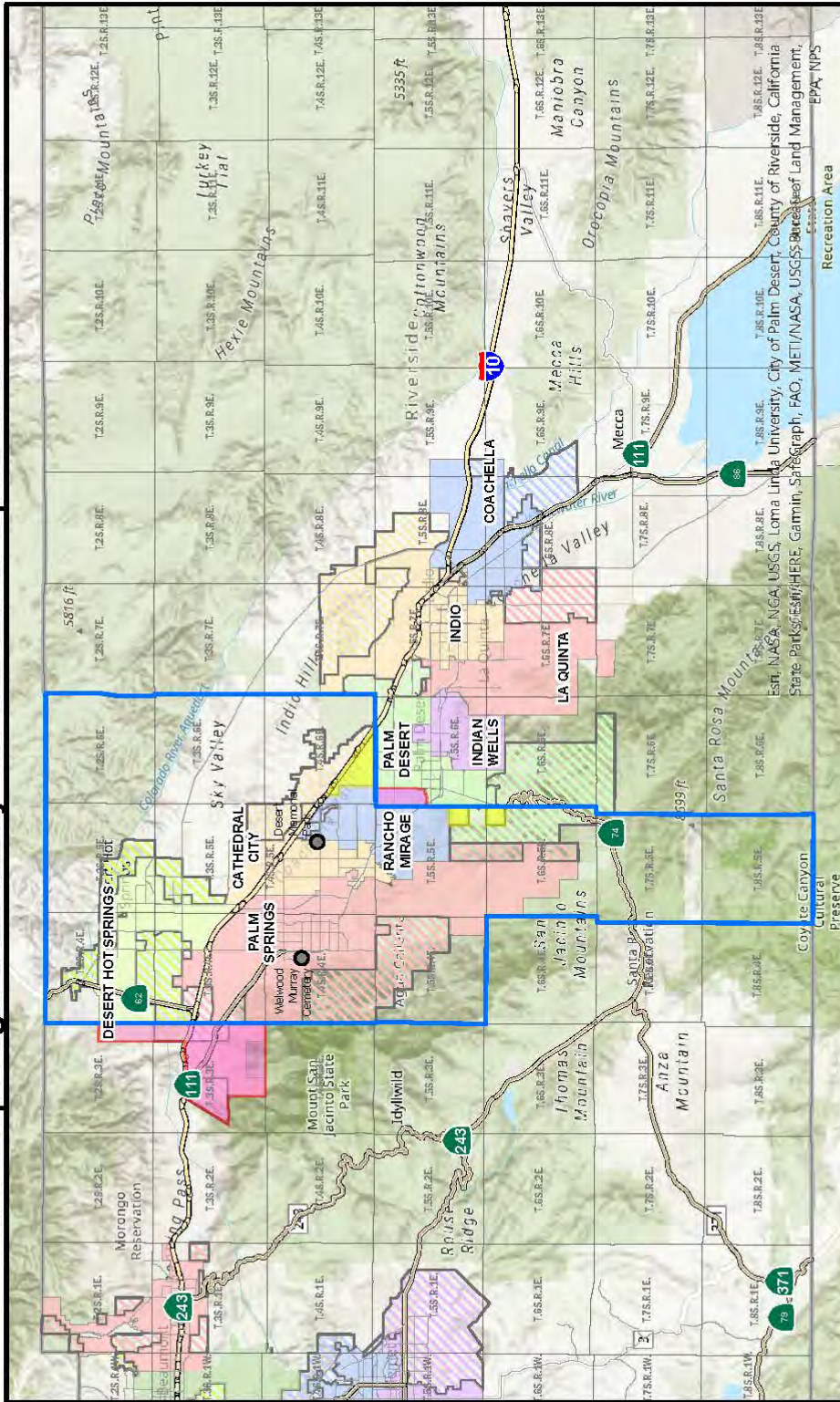
On the following pages, **Table 4-1** provides a snapshot profile of PSCD and **Figure 4-1** provides a map of the District's current boundary and SOI.



Table 4-1- Profile – Palm Springs Cemetery District

General Information			
Agency Type	Municipal – Public Cemetery District		
Principal Act	California Health & Safety Code Section 9000 et. seq.		
Date Formed	1917		
Services Provided	Casket & Cremation Burials, Cremation Niches, Infant Plots		
Location	Welwood Cemetery & Facilities location: 31-705 Da Vall Drive Cathedral City, CA 92234 (760) 328-3316		
Sq. Miles/Acres	Approximately 320,551.8 Acres (500.9 sq. miles) service area. Two cemeteries- 101 acres		
Contact	Kathleen Jurasky, District Manager info@pscemetery.com		
Website	www.pscemetery.com		
Population Served	Estimated 166,808		
Last SOI Update	2005		
Governance/Staffing			
Governing Body	5-member Board of Trustees, appointed by the Riverside County Board of Supervisors		
Terms	4-year staggered terms		
Meeting Information	2nd Thursday of the Month at 21:00pm at the Cemetery Office, 31-705 Da Vall Drive Cathedral City, CA 92234		
Total Staff	Approximately 6 employees		
Staff Categories	General Manager, Admin Support, Groundskeepers		
Facilities/Other Infrastructure			
Facilities	District Office, and maintenance storage buildings.		
Other Infrastructure	2 cemeteries, total 36 acre developed, 65 acres available for future use		
Financial Information- FY 22/23 Actuals (Audited Financial Statements)			
	Revenues	Expenditures	Net Surplus/(Deficit)
General Fund	\$1,277,281	\$1,137,866	\$139,415
Accumulated Capital Fund	\$430,470	\$95,411	\$335,059
Endowment/PreNeed Fund	\$626,719	\$94,392	\$532,327
Combined Funds	\$2,334,470	\$1,327,669	\$1,006,801
	FY 22/23	Long Term Planned Expenditures	
Capital Expenditures	\$79,495	\$4,122,058- See Financial Discussion	
General Fund Balance	\$673,720	June 30, 2023 Financial Statement	
Capital Fund Balance	\$2,616,051	June 30, 2023 Financial Statement	
Endowment/PreNeed Fund Balance	\$9,026,666	June 30, 2023 Financial Statement	
Unrestricted Net Assets	\$10,292,127	June 30, 2023 Financial Statement	
Capital Assets (Net)	\$2,113,062	June 30, 2023 Financial Statement	
Net Position	\$17,277,499	June 30, 2023 Financial Statement	
Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2023			
Long Term Debt	PSCD has no long-term bond or secured debt		
Unfunded Pension Liability	PSCD has no unfunded pension liability.		
Unfunded OPEB Liability	\$239,000		
Notes- Endowment & PreNeed Funds combined for this table since related to future commitments.			

Figure 4-2- Boundary/SOI Map – Palm Springs Cemetery District

Palm Springs Cemetery District and Sphere of Influence



<p>Legend</p> <ul style="list-style-type: none"> Palm Springs Cemetery District Boundary** Palm Springs CD Sphere of Influence Added to Coachella Valley Public CD Sphere Cemeteries Townships 	<p>Data Sources: County of Riverside; LAFCO</p> <p style="text-align: center;">N</p>  <p style="text-align: center;">320,551.8 acres 500.9 square miles</p>	<p style="text-align: center;">Cemetery District Services provided by District</p>
<p>SOI Amended: 05/26/2005</p> <p>Author: Crystal M. Craig & Michael Henderson Map Created on 03/01/2023</p>	<p>Disclaimer: The information shown is intended to be used for reference and general display purposes only and is not to be used as an official map.</p> 	

GROWTH AND POPULATION PROJECTIONS

PSCD currently serves an estimated population of approximately 166,808 over a geographical area of approximately 500.9 square miles. The District encompasses the Cities of Cathedral City, Desert Hot Springs, Palm Springs, most areas of Rancho Mirage, and unincorporated areas of North Palm Springs, Sky Valley, Thousand Palms, and to the north to the San Bernardino County Line and to the south to the San Diego County line. The District's service area most likely has potential for growth most notably within the cities serviced and the unincorporated communities in the District.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the combined Cities of Palm Springs, Cathedral City, Desert Hot Springs, and Cathedral City population to increase by 21.9% over the next 20 years, with some population growth in the surrounding unincorporated areas of North Palm Springs, Sky Valley, and Thousand Palms.

ACCOUNTABILITY AND GOVERNANCE

Governance

PSCD is governed by a five-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The PSCD Board of Trustees meets every 2nd Thursday of the month at 2:00pm at the District Office, 31-705 Da Vall Drive Cathedral City, CA 92234. The District's Board of Trustees consists of a Chair, Vice Chair, Treasurer, Secretary and one Trustee. All ethics and Form 700 filings are current.

<u>PSCD Board of Trustees</u>	<u>Term Expires</u>
Michael V. Smith	2027
LaFaye M. Platter	2027
Lynn T. Mallotto	2027
Tim Radigan-Brophy	2025
Jan M. Pye	2025

The District maintains two committees, the Investment/Finance Committee and the Development Committee. that meet periodically to oversee specific areas of operations.

Website Transparency

The PSCD website is well organized and hosts a wide variety of information regarding the cemetery services provided by the District. Information provided includes a burial

search portal, a very detailed listing of the fees charged for the various burial options available for selection, an online pay portal, and detailed policies, regulations and procedures for utilization of the cemetery property. The website also includes information on services and facilities, and various other documents of interest to the public.

Meeting agendas are posted on the District's website, however, no written staff reports if existing. Board minutes are also posted after approval. The website does not contain direct email addresses to contact Board members for direct access, nor for staff. There is an email address for the District listed on the website. Pertinent financial information for the District including the current budget and annual audits are included along with staff compensation information.

Customer/Constituency Communication

PSCD informs constituents, patrons, and customers of activities and services primarily through their website. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons. Public engagement also occurs through two annual events the District sponsors- the Dia de Los Muertos event and the Wreaths Across America event.

Customer/Constituency Accountability

PSCD strives to ensure the patrons and customers have access to all information relevant to the facilities and services provided. As noted previous, the District maintains detailed policies, regulations and cost information for the use of the cemetery on the District website. Staff is the initial and primary contact with all patrons. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount.

The District did not identify any complaints of significance over the last few years. The District notes that complaints can be filed online or in person. The District did not identify any specific complaint resolution process, however, with the small staffing, the District Manager would be the primary staff responsible for complaint resolution.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the District Manager for staff, and the Board of Trustees for the District Manager.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

PSCD currently provides cemetery burial and cremation niches for all residents within its boundaries and to residents outside of its service boundary under specific eligibility requirements. The District offers traditional in-ground casket and cremation, niches and an infant cemetery. A key aspect of the services provided include maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation

due to the nature of the long-term interment services the cemetery provides. The District does not provide contract services to other agencies. The District contracts for landscape maintenance services, annual audit services and legal counsel as needed.

Facilities/Infrastructure

The PSCD operates two cemeteries, with the District Office and Desert Memorial Park Cemetery located at 31-705 Da Vall Drive, Cathedral City, CA 92234. The Welwood Murray Cemetery is located at 471 Chino Drive, Palm Springs, CA 92262 The combined two cemeteries include 36 acres of developed cemetery property and 65 acres of undeveloped property available for future use. Also located at the Desert Memorial Park Cemetery is a maintenance building and a Veterans Chapel.

Service Adequacy

PSCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any service constraints at this time and is fully capable of providing adequate services to the current District boundaries. The District reports that as the only service provided is interments, there are no formal evaluations of operations and does not track workload handled by employees.

Long-term objectives and goals are managed and described within the District's Strategic Plan, the current version covering the time period 2019-2024. The Strategic Plan outlines goals, objectives and strategies, and key performance indicators that are tracked. The District notes that it has sufficient capacity to support current and future growth with no difficulty in providing services within the District boundaries

The following statistical information has been provided by the District:

Total number of spaces and number available- total number of spaces not provided, 3,195 available including burial plots and niches.

Spaces filled each year on average- 255 (Pre-Covid). For the 3 fiscal years 21/22- 23/24- 987. District notes that the annual rate is returning to pre-Covid levels.

Plots/niches occupied- 17,965

Plots/niches remaining- 488 Casket Plots, 212 Cremation Niches, 555 Cremation Plots, 40 Infant Plots- Full plots- 3,471, Cremains- 648.

Current amount of pre-purchased plots/niches- information not provided.

Capacity of District owned undeveloped land- The District notes the currently 65 acres of undeveloped land are available that will support 500-600 plots per acre.

Facilities/Infrastructure Needs

PSCD does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does review capital improvements as part of an annual budget process, and considers capital projects projected in future years.

The District noted several major capital projects upcoming in the Management's Discussion & Analysis portion of the FY 22/23 audit report, including additional plot developments, additional cremation niches and a chapel and conference center. Total estimated costs for these three capital projects are estimated at a total of \$3,923,344. Total cost of additional capital projects listed is estimated at \$198,714.

Cooperative Programs

PSCD notes that it does not presently participate in cooperative programs and other cooperative endeavors with other agencies and organizations, and does not currently participate in regional planning and programs.

The District is a member of the California Special District Association (CSDA) as well as Special Districts Risk Management Authority (SDRMA) for insurance services, and not a member of any other Joint Powers Authorities.

FINANCIAL OVERVIEW

PSCD carries all operational budgeting and accounting in four funds, the General Fund, the Accumulated Capital Fund, the Endowment Care Fund (Endowment Fund), and the PreNeed Fund. The General Fund carries all administrative and operational expenditures not covered by the other funds. The Accumulated Capital Fund carries larger capital projects related to acquisition and/or construction of capital facilities. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The PreNeed Fund includes funds received in advance by customers for purchase of various burial items other than the burial plot. The four combined funds comprise the "Governmental Funds" as reported in the annual audit documents. The Endowment and PreNeed Funds have been combined in the tables and financial discussion following.

The District also is in the process of building a Pet Memorial Park Cemetery, via a Non-Profit 501(c)(3) as a separate component unit of the District. The District issued an unsecured promissory note for \$25,000 in 2016 for start up capital to be drawn down as needed. As of June 30, 2023, \$10,000 has been drawn down.

The District conducts an independent audit annually, the last three years reflecting an "unmodified" opinion, and provides all required reporting to the State Controller's Office as required by statutes.

As of FY 22/23 the District had no debt service with an insignificant compensated absences long term liability, and no unfunded pension liability and a reasonably low unfunded OPEB liability. For the period of fiscal years FY 20/21 – FY 22/23 the District audit reports reflect the Endowment Fund receiving \$964,841 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its Governmental Funds reporting a

combined fund balance of \$12,316,437, which is above the FY 21/22 ending fund balance of \$11,309,636 and the FY 20/21 ending fund balance of \$10,071,075. This reflects a positive trend overall.

Overall, the financial position of the District is considered very stable at this time, with sufficient unrestricted fund balance available for short term potential revenue/expenditure deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels currently.

Table 4-2 following, provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 4-2- Financial Information- Palm Springs Cemetery District

Financial Information (Actuals- Audited Financial Statements)			
	FY 22/23	FY 21/22	FY 20/21
General Fund Revenues/Transfers	\$1,277,281	\$1,232,094	\$1,286,353
General Fund Expenditures/Transfers	\$1,137,866	\$1,056,914	\$1,044,598
General Fund Surplus/(Deficit)	\$139,415	\$175,180	\$241,955
Accumulated Capital Fund Revenues/Transfers	\$430,470	\$376,426	\$435,966
Accumulated Capital Fund Expenditures/Transfers	\$95,411	\$166,066	\$8,297
Accumulated Capital Fund Surplus/(Deficit)	\$335,059	\$210,360	\$427,669
Endowment/PreNeed Fund Revenues/Transfers	\$626,719	\$297,521	\$530,332
Endowment/PreNeed Fund Expenditures/Transfers	\$94,392	\$74,500	\$63,902
Endowment/PreNeed Fund Surplus/(Deficit)	\$532,327	\$223,021	\$466,430
Capital Outlay	\$79,495	\$121,826	\$0
Debt Service Expenditures	N/A	N/A	N/A
Long Term Liabilities (Excludes OPEB)	\$2,000	\$8,000	\$9,000
Unrestricted Net Assets	\$10,292,127	\$9,695,079	\$6,246,578
Restricted Net Assets	\$4,872,312	\$4,556,557	\$4,247,497
Capital Assets (Net of Depreciation)	\$2,113,062	\$2,196,347	\$2,201,857
Unfunded Pension Liability	N/A	N/A	N/A
Unfunded OPEB Liability	\$239,000	\$212,000	\$211,000
Net Position	\$17,277,499	\$16,477,983	\$12,695,932
Note- Endowment & PreNeed Funds combined for this table since related to future commitments. Long Term Liabilities- Compensated Absences			

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures

4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

PSCD's General Fund revenue trend has fluctuated but has reflected an upward overall position. The expenditure trend has gradually increased over the listed three fiscal years. However, the General Fund overall has reflected annual surpluses each year. The Combined Endowment/PreNeed Funds reflects generally steady revenue growth with limited expenditures reflecting significant annual end of year surpluses over the 3 fiscal years reviewed.

These trends appear to represent a somewhat slow growth scenario however, the District is maintaining expenditures in line. Although expenditures are steadily increasing which could create a deficit situation long term, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency's ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn't always possible in some agencies.

PSCD in FY 22/23 received approximately 28.3% of its overall revenues from payments into the combined Endowment and PreNeed Funds. The General Fund received approximately 38.0% of its revenue from property taxes, 54.6% from charges for services, and the remainder from miscellaneous sources.

Since the District's revenue stream for the General Fund is not diversified to any extent, and the Endowment and PreNeed Funds are restricted revenue, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

PSCD's General Fund unassigned fund balance of \$673,720 for FY 22/23 is approximately 59.2% of expenditures for the year. The District's combined Endowment and PreNeed Funds restricted fund balance of \$9,026,666 for FY 22/23 as compared to expenditures of \$94,392 from these funds is a significant ratio. These fund balance ratios fall well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

PSCD has no bond or secured debt. Therefore no ratio to assess which in turn is a positive aspect to overall financial stability. The District does maintain minor compensated absence long term liability, and insignificant amount annually as compared to annual expenditures. Additionally, the District has no unfunded pension liability and a reasonably insignificant amount of unfunded OPEB liability, discussed further below.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

EVCD's FY 22/23 ending net position was calculated by the auditors at \$17,277,499 with \$10,292,127 as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a large amount of Net Position includes Capital Assets which is mostly cemetery grounds and the buildings on site that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show an upward trend annually which is a positive indicator for the District. It should be noted that the General

Fund, and the Endowment Fund and PreNeed Funds show positive overall increases in the last three fiscal years reviewed.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented, many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

PSCD does not have any pension unfunded liabilities. The District employee pension programs are a 403(b) and SEP defined contribution plan with the District contributing 7% of the employee annual salary. The District post-employment benefit plan is a single-employer benefit healthcare plan administered by the District. The current unfunded OPEB liability of \$239,000 for FY 22/23 is not considered unreasonably significant.

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

PSCD's capital assets include primarily the office facility, maintenance building and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$4,939,552 in capital assets and \$2,826,490 in accumulated depreciation, resulting in \$2,113,062 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District reviews longer term capital improvements as part of the annual budget process. The District notes that the current capital reserve funds are adequate to meet current and future needs.

Additionally, the District noted several major capital projects upcoming in the future in the Management's Discussion & Analysis portion of the FY 22/23 audit report, including additional plot developments, additional cremation niches and a chapel and conference center. Total estimated costs for these three capital projects are estimated at a total of \$3,923,344. Total cost of additional capital projects listed is estimated at \$198,714. Funding for these projects would be available from the unrestricted portion of the Endowment Fund and the Accumulated Capital Fund.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

PSCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care and PreNeed fees. As one of the primary sources of revenue for operating and maintaining the cemetery property, these fees are updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

The following page provides the PSCD fee schedule available on the District website.

**PALM SPRINGS CEMETERY DISTRICT
SCHEDULE OF CHARGES
July 1, 2024
DESERT MEMORIAL PARK**

ADULT INTERMENT WITH LINER

HANDLING FEE:	420.00
LINER:	230.00
SALES TAX:	20.13
OPEN & CLOSE GRAVE:	1,300.00
INTERMENT COSTS:	<u>1,970.13</u> **
ADD to this amount an INTERMENT SITE:	2,700.00
	<u>4,670.13</u>

~~~~~OR~~~~~

**ADULT INTERMENT WITH VAULT**

|                                       |                           |
|---------------------------------------|---------------------------|
| HANDLING FEE:                         | 490.00                    |
| VAULT:                                | 320.00                    |
| SALES TAX:                            | 28.00                     |
| OPEN & CLOSE GRAVE:                   | 1,300.00                  |
| <b>INTERMENT COSTS:</b>               | <u><b>2,138.00</b></u> ** |
| ADD to this amount an INTERMENT SITE: | 2,700.00                  |
|                                       | <u><b>4,838.00</b></u>    |

Premium Grave Vaults \$1,517.83 to \$4,047.23

\*Other site available for:           2,900.00

~~Prices vary at difference locations~~

Price of Interment Sites include Endowment Care. Endowment Care & Contract Administration fee are NON REFUNDABLE.

**GRAVE VASES**    -    purchased at time of Interment:    **83.94   105.69**

If you acquire a **HEADSTONE**, THE **SETTING FEE** is:       **175.00 / 225.00**

~HEADSTONES ARE NOT SOLD BY THE CEMETERY DISTRICT~

**\*\* If paid prior to need, add 100.00 Preneed contract Administration Fee**

**\*\* Eligible Non-Resident add:       Surcharge of 700.00**

***All current prices subject to change without notice***

~ PRICES FOR OTHER SERVICES FURNISHED UPON REQUEST ~

**760-328-3316**

**PALM SPRINGS CEMETERY DISTRICT  
SCHEDULE OF CHARGES  
July 1, 2024  
DESERT MEMORIAL PARK**

**CREMATION INTERMENT (GRAVESIDE SERVICE)**

|                                       |                    |
|---------------------------------------|--------------------|
| HANDLING FEE:                         | 165.00             |
| VAULT:                                | 90.00              |
| SALES TAX:                            | 7.88               |
| OPEN & CLOSE GRAVE:                   | 1,000.00           |
| <b>INTERMENT COSTS:</b>               | <b>1,262.88 **</b> |
| ADD to this amount an INTERMENT SITE: | 1,200.00           |
|                                       | <b>2,462.88</b>    |

**CREMATION INTERMENT (WITNESS/PRAYER-NO SET-UP)**

|                                       |                  |
|---------------------------------------|------------------|
| HANDLING FEE:                         | 165.00           |
| VAULT:                                | 90.00            |
| SALES TAX:                            | 7.88             |
| OPEN & CLOSE GRAVE:                   | 700.00           |
| <b>INTERMENT COSTS:</b>               | <b>962.88 **</b> |
| ADD to this amount an INTERMENT SITE: | 1,200.00         |
|                                       | <b>2,162.88</b>  |

**CREMATION INTERMENT (NO WITNESS- NO SET-UP)**

|                                       |                  |
|---------------------------------------|------------------|
| HANDLING FEE:                         | 165.00           |
| VAULT:                                | 90.00            |
| SALES TAX:                            | 7.88             |
| OPEN & CLOSE GRAVE:                   | 600.00           |
| <b>INTERMENT COSTS:</b>               | <b>862.88 **</b> |
| ADD to this amount an INTERMENT SITE: | 1,200.00         |
|                                       | <b>2,062.88</b>  |

Other sites available for : 1500, 2700, 2900

Price of Interment Sites include Endowment Care. Endowment Care & Contract Administration fee are NON REFUNDABLE.

**GRAVE VASES** - purchased at time of Interment: **83.94 105.69**  
 If you acquire a **HEADSTONE**, THE **SETTING FEE** is: **175.00 / 225.00**

~HEADSTONES ARE NOT SOLD BY THE CEMETERY DISTRICT~

**\*\* If paid prior to need, add 100.00 Preneed contract Administration Fee**

**\*\* Eligible Non-Resident add: Surcharge of 400.00**

*All current prices subject to change without notice*

~ PRICES FOR OTHER SERVICES FURNISHED UPON REQUEST ~

**760-328-3316**

**PALM SPRINGS CEMETERY DISTRICT  
SCHEDULE OF CHARGES  
July 1, 2024  
DESERT MEMORIAL PARK**

**CREMATION NICHES (NICHSIDE SERVICE)**

|                                       |                        |
|---------------------------------------|------------------------|
| SHUTTER HANDLING FEE:                 | 50.00                  |
| OPEN & CLOSE GRAVE:                   | 900.00                 |
| <b>INTERMENT COSTS:</b>               | <u>950.00</u> **       |
| ADD to this amount an INTERMENT SITE: | 1,300.00               |
|                                       | <u><b>2,250.00</b></u> |

**CREMATION NICHES (WITNESS/PRAYER-NO SET-UP)**

|                                       |                        |
|---------------------------------------|------------------------|
| SHUTTER HANDLING FEE:                 | 50.00                  |
| OPEN & CLOSE GRAVE:                   | 700.00                 |
| <b>INTERMENT COSTS:</b>               | <u>750.00</u> **       |
| ADD to this amount an INTERMENT SITE: | 1,300.00               |
|                                       | <u><b>2,050.00</b></u> |

**CREMATION NICHES (NO WITNESS- NO SET-UP)**

|                                       |                        |
|---------------------------------------|------------------------|
| SHUTTER HANDLING FEE:                 | 50.00                  |
| OPEN & CLOSE GRAVE:                   | 500.00                 |
| <b>INTERMENT COSTS:</b>               | <u>550.00</u> **       |
| ADD to this amount an INTERMENT SITE: | 1,300.00               |
|                                       | <u><b>1,850.00</b></u> |

Other sites available for :

1300    1400    1500    1600    1700    2000    2100    2200    2300

Price of Interment Sites include Endowment Care. Endowment Care & Contract Administration fee are NON REFUNDABLE.

**NICHE VASES**    -    purchased at time of Interment:    **89.38**

**\*\* If paid prior to need, add 100.00 Preneed contract Administration Fee**

**\*\* Eligible Non-Resident add:    Surcharge of 400.00**

***All current prices subject to change without notice***

~ PRICES FOR OTHER SERVICES FURNISHED UPON REQUEST ~

**760-328-3316**

**PALM SPRINGS CEMETERY DISTRICT  
SCHEDULE OF CHARGES  
July 1, 2024  
DESERT MEMORIAL PARK**

**CHILD INTERMENT WITH LINER**

|                                       |                  |
|---------------------------------------|------------------|
| HANDLING FEE:                         | 175.00           |
| LINER:                                | 205.00           |
| SALES TAX:                            | 17.94            |
| OPEN & CLOSE GRAVE:                   | 600.00           |
| <b>INTERMENT COSTS:</b>               | <u>997.94</u> ** |
| ADD to this amount an INTERMENT SITE: | <u>2,700.00</u>  |
|                                       | <b>3,697.94</b>  |

~~~~~~OR~~~~~

CHILD INTERMENT WITH VAULT

| | |
|---------------------------------------|--------------------|
| HANDLING FEE: | 230.00 |
| VAULT: | 240.00 |
| SALES TAX: | 21.00 |
| OPEN & CLOSE GRAVE: | 600.00 |
| INTERMENT COSTS: | <u>1,091.00</u> ** |
| ADD to this amount an INTERMENT SITE: | <u>2,700.00</u> |
| | 3,791.00 |

* Other sites available for:

2900

Price of Interment Sites include Endowment Care. Endowment Care & Contract Administration fee are NON REFUNDABLE.

GRAVE VASES - purchased at time of Interment: **83.94 105.69**

If you acquire a HEADSTONE, THE SETTING FEE is: **175.00 / 225.00**

~HEADSTONES ARE NOT SOLD BY THE CEMETERY DISTRICT~

**** If paid prior to need, add 100.00 Preneed contract Administration Fee**

**** Eligible Non-Resident add: Surcharge of 250.00**

All current prices subject to change without notice

~ PRICES FOR OTHER SERVICES FURNISHED UPON REQUEST ~

760-328-3316

Cost Avoidance Programs

PSCD does not maintain any specific cost avoidance programs. The District notes that two cost avoidance initiatives underway are removing unnecessary turf and changing the desert landscape to reduce water usage, and adding fertilizing to irrigation system to eliminate the use of fertilizer pellets. Additionally, the District utilizes available grants for purchases of equipment, most recently a purchase of a backhoe utilizing the Carl Moyer Program.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are fifteen disadvantaged unincorporated communities related to the Cities of Desert Hot Springs, Cathedral City and the unincorporated North Palm Springs community within and adjacent to PSCD’s boundaries/SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for PSCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to PSCD at this time:

Maintain the status quo.

PSCD’s government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a relatively small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District’s current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission’s consideration:

1) Growth and Population Projections

- PSCD currently serves an estimated population of approximately 166,808 over a geographical area of approximately 500.9 square miles. The District encompasses the Cities of Cathedral City, Desert Hot Springs, Palm Springs, most areas of Rancho Mirage, and adjacent unincorporated Riverside County,

inclusive of the North Palm Springs, Sky Valley and Thousand Palms communities.

- The District's service area most likely has potential for growth, most notably within the cities it serves and in portions of the established communities in the unincorporated areas in the District.
- Although the District does not retain any land use planning and entitlement authority as those functions are reserved for cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.*

- There are fifteen disadvantaged unincorporated communities related to the Cities of Desert Hot Springs, Cathedral City and the unincorporated North Palm Springs community within and adjacent to PSCD's boundaries/SOI.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- The PSCD provides the services it has intended to provide with no significant issues since its establishment.
- The District does not have any service constraints currently and is fully capable of providing adequate services to the current District boundaries for the near and long term.
- The District notes that there are no areas that would present difficulty providing adequate levels of service or that would be particularly expensive to serve, and the District is meeting the needs of the public in a cost-effective and efficient manner with no current or projected constrictions on service delivery.
- There are no deficiencies related to the fifteen DUCs identified within or near the District's SOI.

4) *Financial Ability of the District to Provide Services*

- PSCD has the financial ability to fund the current level of services provided.
- The District operates effectively and efficiently as possible with reasonably sized staff to minimize administrative overhead costs.

- Sufficient revenues and ability to set charges for services commensurate with costs of services allows the District to maintain financial stability.
- The Endowment Permanent and PreNeed Funds maintain sufficient revenues for long term stability in cemetery longevity.

5) *Status of, Opportunities for Shared Facilities*

- There is no foreseeable opportunity for shared facilities as PSCD only provides cemetery services and only maintains buildings to support direct cemetery operations. Primary infrastructure is limited to the cemetery grounds.

6) *Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.*

- PSCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 6 personnel.
- Service needs are being met by the District without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- The District primarily conducts outreach via its website and direct interface with customers.
- Direct email contact information is not listed for Board of Trustee members, and no staff reports are provided with the agendas that are posted on the District website.
- Financial information such as annual budgets and audits are available on the website, including a comprehensive fee schedule along with a burial search portal, and a payment portal and various other items related to services provided.
- No alternative government structure options are considered superior to the current structure at this time.

7) *Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.*

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

PSCD's sphere of influence is primarily coterminous with its current service boundary with one area within the SOI outside the District boundaries to the west of the Cities of Palm Springs and Desert Hot Springs.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, no additional potential expansion of PSCD's SOI have been identified. Additionally, there are four areas of overlapping SOIs with an adjacent cemetery district jurisdictional boundary that require adjustment as follows:

Three areas within CVPCD's SOI adjacent to the City of Rancho Mirage east and south, are currently in the PSCD jurisdictional boundary. These areas should be removed from CVPCD's SOI. Staff recommends approval of these adjustments.

One area within CVPCD's jurisdictional boundary on the west side of the District is included in the SOI for PSCD. This area should be removed from the PSCD's SOI. Staff recommends approval of this adjustment.

Sphere of Influence Options

One option is identified with respect to CVPCD's SOI.

Option #1:

The Commission may desire to maintain SCD's current SOI with the following adjustments:

- a. Remove the three areas within CVPCD's SOI adjacent to the City of Rancho Mirage east and south, currently in the PSCD jurisdictional boundary.
- b. Remove the one area which is included in the SOI for PSCD on the west side of the District but within CVPCD's jurisdictional boundary.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

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

- PSCD is not an authorized land use planning authority. The Cities of Cathedral City, Desert Hot Springs, Palm Springs, most areas of Rancho Mirage, and the County of Riverside are responsible for land use planning within their respective jurisdictions.
- Current land use and zoning is a mix of urban development and a rural mix.
- It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the rural areas.

2) *The present and probable need for public facilities and services in the area.*

- PSCD current services are considered adequate to support the area, and sufficient capacity exists to support of future growth within the current District boundaries and SOI.
- There is no foreseeable need for procurement of additional land for providing sufficient interment sites to support current and future growth.
- Expansion of services will require sufficient revenues to support the cost of any service expansion.

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

- Sufficient capacity of PSCD's current facilities exists to support providing adequate public services authorized and being provided into the foreseeable future. The District is in the process of executing a long-term plan for facility improvements.
- Sufficient undeveloped existing cemetery land will support long-term interment services provided.

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.*

- There are no specific socio or economic "communities of interest" other than the disadvantaged unincorporated communities within the PSCD jurisdictional boundaries that are serviced by the District.

- There does exist areas of low-income level residents scattered throughout portions of the District, and has a diverse population.

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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.*

- There are fifteen disadvantaged unincorporated communities related to the Cities of Desert Hot Springs, Cathedral City and the unincorporated North Palm Springs community within and adjacent to PSCD's boundaries/SOI.
- The District does not provide water, wastewater nor fire protection services.
- Cemetery services in these communities are subject to the residency requirements of the District.

Chapter 5- Palo Verde Cemetery District

OVERVIEW / BACKGROUND

The Palo Verde Cemetery District (PVCD or District) was officially formed in 1951 as a special district in accordance with the state Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. Prior to that time, in 1897, the cemetery was incorporated as a non-profit organization.

The District encompasses approximately 680,297 acres (1,063 sq. mi.) including the City of Blythe and large unincorporated areas east to the state line, north and south to the San Bernardino County and Imperial County borders respectively, and west covering most of the Mohave Desert, and is considered one of the geographically largest public cemetery districts in California. Population served is estimated by the District at approximately 20,000 in 2023.

The most recent District audit notes that PVCD operates a developed 15.4 acre cemetery site providing in ground and above ground burial facilities for all residents within the District boundaries. The cemetery site is subdivided and recorded and each purchaser of a burial plot receives a Certificate of Burial Rights. This allows the certificate holder to use the plot for burial purposes in accordance with the District's regulations. The District owns an additional 20 acres which is available for future use when needed.

Historical Information (PVCD Audit Reports & Information Submittal)

"The Palo Verde Cemetery was incorporated as a non-profit organization in 1897. It converted to a cemetery district in January 1951. The District, located in Blythe, is one of the largest public cemetery districts in California, serving 1,033 square miles in the southeastern portion of Riverside County."

"Records on hand show that the District petitioned for formation August 7, 1950, and filed with the Board of Supervisors December 13, 1950."

PVCD does not provide services to residents outside of its service boundary. PVCD's sphere of influence is coterminous with its current service boundary.

Mission Statement:

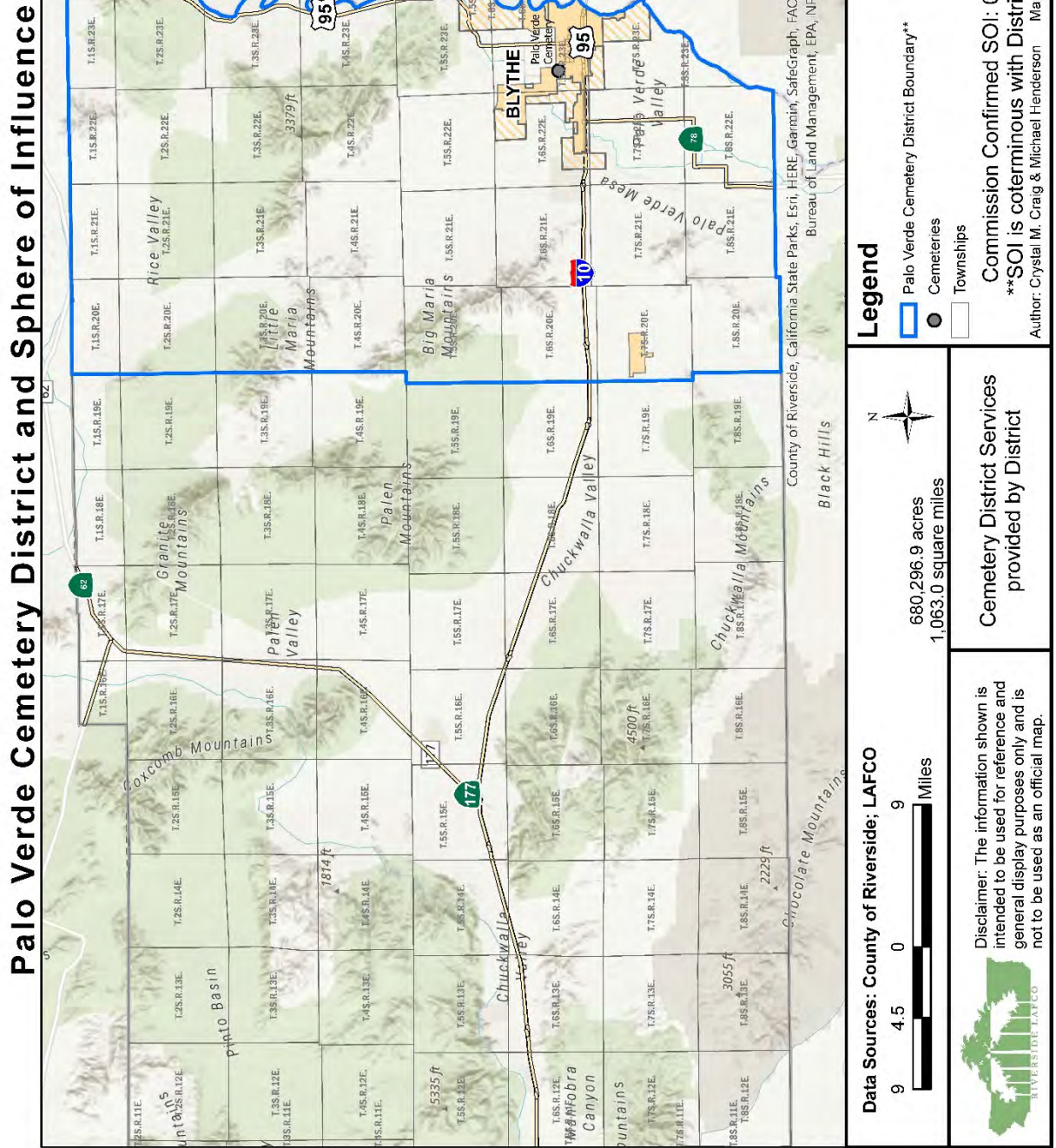
The District does not list a Mission Statement on the District website.

On the following pages, **Table 5-1** provides a snapshot profile of PVCD, and **Figure 5-1** provides a map of the District's current boundary and SOI.

Table 5-1- Profile – Palo Verde Cemetery District

| General Information | | | |
|--|--|-----------------------------------|-----------------------|
| Agency Type | Municipal – Public Cemetery District | | |
| Principal Act | California Health & Safety Code Section 9000 et. seq. | | |
| Date Formed | 1951 | | |
| Services Provided | Burials and Cremation Niches | | |
| Location | Cemetery & Facility location: 343 W. 10th Ave, Blythe, CA 92225 (760) 922-4631 | | |
| Sq. Miles/Acres | Approximately 680,297 Acres (1,063 sq. miles) service area. Cemetery – 35.5 acres | | |
| Contact | Susie Forrest, General Manager
sforrest.paloverdecemetery@gmail.com | | |
| Website | www.pvcemetery.specialdistrict.org | | |
| Population Served | Estimated 20,000 | | |
| Last SOI Update | 2005 | | |
| Governance/Staffing | | | |
| Governing Body | 3-member Board of Trustees, appointed by the Riverside County Board of Supervisors | | |
| Terms | 4-year staggered terms | | |
| Meeting Information | 4th Monday of the month at 1:30pm at the Cemetery Office, 343 W. 10th Ave, Blythe, CA 92225. | | |
| Total Staff | Approximately 3 employees (augmented with 2 volunteers) | | |
| Staff Categories | General Manager, Groundskeepers | | |
| Facilities/Other Infrastructure | | | |
| Facilities | District Facility | | |
| Other Infrastructure | 15.5 acre developed cemetery, 20 acres available for future use | | |
| Financial Information- FY 22/23 Actuals (Audited Financial Statements) | | | |
| | Revenues | Expenditures | Net Surplus/(Deficit) |
| Governmental Funds ** | \$323,445 | \$299,088 | \$24,357 |
| PVC Financing Authority ** | \$50,304 | \$20,944 | \$29,360 |
| | FY 19/20 | Long Term Planned Expenditures | |
| Capital Expenditures | \$184,769 | None Identified. | |
| | | | |
| Governmental Fund Balance | \$461,102 | June 30, 2023 Financial Statement | |
| Unrestricted Net Assets | \$72,907 | June 30, 2023 Financial Statement | |
| Restricted (Endowment) Assets | \$272,161 | June 30, 2023 Financial Statement | |
| Capital Assets (Net of Depreciation) | \$371,994 | June 30, 2023 Financial Statement | |
| Net Position (PVC Financing Authority) | (\$205,520) | June 30, 2023 Financial Statement | |
| Net Position (Governmental) | \$461,102 | June 30, 2023 Financial Statement | |
| Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2023 | | | |
| Long Term Debt | \$260,000- PVC Financing Authority Bond Debt for Capital Expenditures | | |
| Unfunded Pension Liability | PVCD has no unfunded pension liability. | | |
| Unfunded OPEB Liability | PVCD has no unfunded OPEB liability | | |
| Notes- ** See Financial Section for details of “Governmental Funds & PVC Financing Authority” | | | |

Figure 5-1- Boundary/SOI Map – Palo Verde Cemetery District



GROWTH AND POPULATION PROJECTIONS

PVCD currently serves an estimated 2023 population of approximately 20,000 over a geographical area of approximately 1,063 square miles. The District encompasses the City of Blythe and large unincorporated areas east to the state line, north and south to the San Bernardino County and Imperial County borders respectively, and west covering most of the Mohave Desert. The District's service area has potential for growth most notably within the unincorporated areas adjacent to the City of Blythe and within the city. However, the District notes that very limited future growth is anticipated due to the remote location within the county

Although the District does not retain any land use planning and entitlement authority as those functions are reserved for cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the City of Blythe's population to increase by 16%, with relatively light population growth in the surrounding desert unincorporated areas. Most growth is likely to occur within the City of Blythe and the immediate adjacent unincorporated areas.

ACCOUNTABILITY AND GOVERNANCE

Governance

PVCD is governed by a three-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The PVCD Board of Trustees meets every 4th Monday of the month at 1:30pm at the Cemetery Office, 343 W. 10th Ave, Blythe, CA 92225. The District's Board of Trustees consists of a Chair, Vice Chair, and Secretary. There are no current vacancies on the Board of Trustees. All ethics and Form 700 filings are current.

| PVCD Board of Trustees | Term Expires |
|-------------------------------|---------------------|
| Timothy Wade | 2028 |
| Marilee Harkinson | 2025 |
| Richard Phipps | 2025 |

The Board of Trustees does not have any standing committees nor any ad hoc committees in place.

Website Transparency

The PVCD website is well organized in providing information to the District constituency. Board of Trustees meeting agendas are posted on the District's website, although written staff reports are not included. Board minutes are posted after approval. The District

website includes links to the State Controller's portal for compensation information and required financial reporting, and budget and annual audit information. The website lists the members of the Board of Trustees and includes direct email addresses to contact Board of Trustees members, and the General Manager. The website includes the District's fee schedule.

The District notes that updates to the website are being planned and implemented to include this relevant transparency information.

Customer/Constituency Communication

PVCD notes that it informs constituents, patrons, and customers of activities and services primarily through the local newspapers, radio and the website. Cemetery staff provides virtually all necessary contacts with constituents and patrons.

Customer/Constituency Accountability

PVCD staff is the initial and primary contact with all patrons for ensuring the patrons and customers have access to all information relevant to the facilities and services provided. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount. The District reports that they have had few complaints over the last few years, mostly related to flowers disturbed from routine maintenance and only two concerning interment issues.

The District notes that patrons and customers can submit complaints in person or in writing. Complaints are evaluated/responded to by the District General Manager. If not resolved, the complainant is invited to address the Board of Trustees. If still not satisfied, the complainant is provided with information to contact the Board of Supervisors. Any complaint that may be received, and actions taken to resolve, are documented.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the immediate supervisor and/or the General Manager for staff and the Board of Trustees for the General Manager.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

PVCD currently provides cemetery burial and cremation niches for all residents within its boundaries. A key aspect of the services provided include maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. Additionally, the District only contracts for annual audit services and legal counsel as needed. The District does not provide contract services to other agencies.

Facilities/Infrastructure

The PVCD District Office and cemetery are located at 343 W. 10th Ave, Blythe, CA 92225. The cemetery includes 15.5 acres of developed cemetery property and an additional 20 acres of undeveloped land for future use when needed. At this time, there are no other facility, land or other infrastructure owned or maintained by the District.

Service Adequacy

PVCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any capacity or service constraints at this time, and is fully capable of providing adequate services to the current District boundaries. The District reports that they have the present capacity to provide services within the District and capacity to support future growth area with no difficulty nor constraints. There are no other service providers in the District that would constitute a duplication of services. The District notes that the undeveloped area of the cemetery can support 14,773 adult plots.

The District reports that operations and productivity are evaluated while working with patrons and meeting their needs. The District notes that it tracks specific staff workload through timesheets for paid staff and routine evaluations. Long-term objectives and goals are reviewed continuously to meet public and operational needs, and review of local, state and national industry trends. The District notes that there is a current uptick trend for cremations.

The following statistical information has been provided by the District:

Spaces filled each year on average- 98. For the 3 fiscal years 20/21- 22/23- 294.

Plots/niches occupied- 7,378

Plots/niches remaining- 3,573

Current amount of pre-purchased lots- 909

Capacity of District owned undeveloped land- 14,773 adult plots which can be adjusted as the market dictates.

Facilities/Infrastructure Needs

PVCD indicates that there are no immediate facility or infrastructure needs at this time or the foreseeable future. There are no presently noted financial constraints under which the District operates. The District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does plan to add additional Niches once the current Niches supply reach 30% available.

Cooperative Programs

PVCD does not participate in cooperative programs and other cooperative endeavors with other agencies or organizations, and is not a member of any Joint Powers Authority. The District does note utilizing resources such as the California Public Cemetery

Association and other sources of information on cemetery operations and opportunities for improvements in District operations.

FINANCIAL OVERVIEW

PVCD combines all operational budgeting and accounting in one fund, and inclusive of the Palo Verde Cemetery Financing Authority revenues/expenditures (discussed further below). Endowment Permanent Care requirements earmarked for care of the cemeteries as required under Health & Safety Code section 9065 are carried as restricted assets in the financial statements. These funds are referred to as Governmental Funds in this report for purposes of analysis.

The District conducts an independent audit annually, the last three years reflecting a “qualified” opinion. The basis for the opinion is stated by the auditor as follows:

“Information necessary for Cemetery staff to record all accounts receivable for preneed plot sales was not complete; and as a result, only accounts receivable for which the Cemetery has written contracts have been recorded. Records for other receivables and unearned revenue for sales before December 2014 are incomplete; therefore, audit procedures were not applied. The amount by which this departure would affect the assets and net position is not determinable.”

The auditor does confirm that the financial statements as presented, except for the possible effects of the noted issue, “...present fairly, in all material respects, the financial position of the Cemetery...” as to the financial status of the District. The District complies with the annual reporting requirements of the California State Controller’s Office.

The District does report that District is rebounding from a prior embezzlement and is still working to recover from that event. The embezzlement by a former employee of approximately \$250,000 occurred from 2003-2008. The former employee was ordered to pay \$248,000 in restitution, however as of June 30, 2023, only \$2,014 has been recovered.

The auditor notes the following regarding the Palo Verde Cemetery Financing Authority (PVC Financing Authority):

“These financial statements present the Cemetery (the primary government) and its component unit, the Palo Verde Cemetery Financing Authority (the "Authority"). As defined by GASBS No. 14 The Financial Reporting Entity, component units are legally separate entities that are included in the Cemetery's reporting entity because of the significance of the operating or financial relationships with the Cemetery. The Cemetery is not included as a component unit in any other primary government's financial statements.”

“The Authority is an integral part of the Cemetery's financial reporting entity. The board of trustees of the Cemetery also serves as the board of directors of the Authority. The management of the Cemetery also manages the Authority. The Cemetery is legally responsible for all of the Authority debt. The operations of the Authority are carried out completely within the boundaries of the Cemetery.”

“The Authority was created by a joint exercise of powers agreement dated April 13, 1999, between the Cemetery and the City of Blythe. Such agreement was entered into pursuant to the provisions of Articles 1, 2, and 4 of Chapter 5 of Division 7 of Title 1 of California government code. The Authority was created for the purpose of assisting with the financing of public capital facilities within the Cemetery.”

As of FY 22/23 PVCD has \$260,000 bond debt remaining via the PVC Financing Authority from the original \$640,000 1999 Revenue Bond, Series 1999, and no other significant long-term liabilities. For the period of fiscal years FY 19/20 – FY 23/24 the Endowment Fund received \$114,387 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds. The District completed FY 22/23 with its governmental funds reporting a fund balance of \$461,102, which is above the previous year's ending fund balance of \$421,805. The primary driver of the increased fund balance is due primarily to the increased end of year surplus.

Overall, the financial position of the District is considered relatively stable currently, with sufficient unrestricted fund balance available for short term potential revenue/expenditure deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels currently.

Table 5-2 on the following page provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 5-2- Financial Information- Palo Verde Cemetery District

| Financial Information- (Actuals) (Audited Financial Statements) | | | |
|--|-----------------|-----------------|-----------------|
| | FY 22/23 | FY 21/22 | FY 20/21 |
| Governmental Funds Revenues/Transfers | \$323,445 | \$280,670 | \$328,736 |
| Governmental Funds Expenditures/Transfers | \$299,088 | \$298,263 | \$292,568 |
| Governmental Funds Surplus/(Deficit) | \$24,357 | (\$17,593) | \$36,168 |
| PVC Financing Authority Revenues/Transfers | \$50,304 | \$52,055 | \$48,835 |
| PVC Financing Authority Expenditures/Transfers | \$20,944 | \$22,695 | \$24,475 |
| PVC Financing Authority Surplus/(Deficit) | \$29,360 | \$29,360 | \$24,360 |
| Capital Expenditures | \$184,769 | (\$17,182) | (\$64,965) |
| Governmental Fund Balance | \$461,102 | \$421,805 | \$426,648 |
| PVC Financing Authority Fund Balance ** | (\$205,520) | (\$234,880) | (\$264,240) |
| Debt Service Expenditures | \$0 | \$0 | \$0 |
| Long Term Liabilities (Bond Debt) | \$260,000 | \$290,000 | \$320,000 |
| Unrestricted Net Assets | \$72,907 | \$222,934 | \$238,456 |
| Restricted Net Assets- Endowment Fund | \$272,161 | \$251,264 | \$242,176 |
| Capital Assets (Net of Depreciation) | \$371,554 | \$232,487 | \$260,256 |
| Unfunded Pension Liability | N/A | N/A | N/A |
| Unfunded OPEB Liability | N/A | N/A | N/A |
| Net Position (Governmental) | \$461,102 | \$421,805 | \$426,648 |
| ** Reflects PVC Financing Authority Remaining Bond Principal | | | |

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

For PCVD, the Governmental Fund revenue trend has been uneven, with a slight decrease in FY 21/22, however an increase in FY 22/23. The expenditure trend has

slightly increased annually over the listed three fiscal years. However, the Governmental Fund overall has reflected annual surpluses for two of the three year fiscal years. The Endowment restricted revenues balances have slightly increased annually over the three year period.

These trends appear to represent a somewhat stagnant growth scenario that when factoring in rising costs, may ultimately reflect in degradation of services. However, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the Governmental Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency's ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn't always possible in some agencies.

PVCD in FY 22/23 received \$14,940 in restricted Endowment payments. The Governmental Fund received approximately 45.3% of its revenue from property taxes, 40.4% from charges for services, and the remainder from miscellaneous sources.

Since the District's revenue stream for the Governmental Fund is not diversified to any extent, and the Endowment revenues are restricted revenues, alternative sources of additional revenue for the Governmental Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Sufficient revenues currently, and the ability to set charges for services commensurate with costs of services allows PVCD to maintain financial stability. The District also actively pursues available grants as they occur. The Endowment restricted retained revenues of \$272,161 substantially support long term stability in cemetery longevity.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

PVCD's Governmental Fund unrestricted fund balance of \$72,907 for FY 22/23 is approximately 24.4% of expenditures for the year. The District's Endowment restricted fund balance of \$272,161 for FY 22/23 is significant as compared to overall Governmental

expenditures. The fund balance ratio for the Governmental Fund falls behind the ideal ratio, however, is not considered a significant issue as the significant ratio for the Endowment restricted funds is considerably well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

PVCD has bond debt through the PVC Financing Authority issued in 1999 for \$640,000 of Revenue Bonds, Series 1999. The current principal balance as of June 30, 2023 is listed by the auditors at 260,000. Annual debt service on the bond is approximately \$30,000 plus discounts that are applied. When applying the ratio of debt service to annual expenditures, the ratio is at the 10% level, a positive aspect to overall financial stability for the District. Additionally, the District has no unfunded pension or OPEB liabilities which are discussed further below.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

PVCD's FY 22/23 ending net position was calculated by the auditors at \$461,102 with \$72,907 identified as unrestricted. As compared to annual revenues and expenditures, this is a sufficient amount of net position, indicating relative stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a significant amount of Net Position includes Capital Assets which is mostly cemetery grounds that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show a staggered however overall increasing trend annually which is a positive indicator for the District.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented, many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

PVCD does not have any pension nor OPEB unfunded liability as of June 30, 2023 as per the most recent audit report for the fiscal year ending June 30, 2023. This is very good for the District, and given the fact that only 3 employees serve the District, any potential for future unfunded liabilities most likely will be minimal.

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

PVCD's capital assets include primarily the office facility, equipment, and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$1,042,798 in capital assets and \$671,244 in accumulated depreciation, resulting in \$371,554 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does not anticipate funding additional facilities in the near or far term future, however, does intend to fund and develop additional Niches once the current available depletes to 30% capacity.

The District budgets priority infrastructure maintenance and improvement projects based on annual availability of revenue resources, with major projects primarily from the PVC Financing Authority bond proceeds previously noted. It should also be noted that some capital type projects that benefit the cemetery and the public use can be funded with expendable Endowment Fund assets.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

PVCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care fees. As the primary source of revenue for operating and maintaining the cemetery property, these fees are updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

The following pages provide the PVCD fee schedule.

**Palo Verde Cemetery District
2024 Fee Schedule**

SINGLE BURIAL

| | |
|----------------------|--------------------|
| Burial Rights (Plot) | \$ 1,070.00 |
| Opening/Closing | \$ 910.00 |
| Vault | \$ 405.00 |
| Endowment | \$ 165.00 |
| Handling Fee | \$ 390.00 |
| Administration Fee | \$ 135.00 |
| TOTAL | \$ 3,075.00 |

DOUBLE BURIAL

| | |
|----------------------|--------------------|
| Burial Rights (Plot) | \$ 1,070.00 |
| Opening/Closing | \$ 1,400.00 |
| Double Vault | \$ 725.00 |
| Endowment | \$ 165.00 |
| Handling Fee | \$ 642.00 |
| Administration Fee | \$ 270.00 |
| TOTAL | \$ 4,272.00 |

INFANT BURIAL

| | |
|----------------------|--------------------|
| Burial Rights (Plot) | \$ 400.00 |
| Opening/Closing | \$ 350.00 |
| Vault | \$ 285.00 |
| Endowment | \$ 165.00 |
| Handling Fee | \$ 165.00 |
| Administration Fee | \$ 135.00 |
| TOTAL | \$ 1,500.00 |

CREMATION BURIAL IN CREM. PLOT

| | | |
|----------------------------|--------------------|--------------------|
| Burial Rights (Plot) | \$ 535.00 | \$ 535.00 |
| Opening/Closing | \$ 350.00 | \$ 350.00 |
| Cremation Vault (Concrete) | \$ 200.00 | \$ - |
| Cremation Vault (Polymer) | \$ - | \$ 90.00 |
| Endowment | \$ 165.00 | \$ 165.00 |
| Handling Fee | \$ 165.00 | \$ 165.00 |
| Administration Fee | \$ 135.00 | \$ 135.00 |
| TOTAL | \$ 1,550.00 | \$ 1,440.00 |

CREMATION BURIAL IN ADULT PLOT

| | | |
|----------------------------|--------------------|--------------------|
| Burial Rights (Plot) | \$ 1,070.00 | \$ 1,070.00 |
| Opening/Closing | \$ 350.00 | \$ 350.00 |
| Cremation Vault (Concrete) | \$ 200.00 | \$ - |
| Cremation Vault (Polymer) | \$ - | \$ 90.00 |
| Endowment | \$ 165.00 | \$ 165.00 |
| Handling Fee | \$ 165.00 | \$ 165.00 |
| Administration Fee | \$ 135.00 | \$ 135.00 |
| TOTAL | \$ 2,085.00 | \$ 1,975.00 |

2 CREMATION BURIALS IN ADULT PLOT

| | | |
|----------------------------|--------------------|--------------------|
| Burial Rights (Plot) | \$ 1,070.00 | \$ 1,070.00 |
| Opening/Closing | \$ 700.00 | \$ 700.00 |
| Cremation Vault (Concrete) | \$ 400.00 | \$ - |
| Cremation Vault (Polymer) | \$ - | \$ 180.00 |
| Endowment | \$ 165.00 | \$ 165.00 |
| Handling Fee | \$ 330.00 | \$ 330.00 |
| Administration Fee | \$ 270.00 | \$ 270.00 |
| TOTAL | \$ 2,935.00 | \$ 2,715.00 |

OTHER FEES

| | |
|--------------------------|-------------|
| XL Vault | Market Cost |
| Disinterment | \$ 2,000.00 |
| Non-Resident | 22% |
| Transfer Fee | \$ 55.00 |
| Marker Setting Fee | \$ 110.00 |
| Marker Prep Fee (CEMENT) | \$ 110.00 |

Credit/debit cards accepted.
Convenience Fee 3.5% of amount charged
All Fees subject to change without notice.

*Sales Tax will be added for the Vault at the time of burial

Amended March 25, 2024

**Palo Verde Cemetery District
2024 Fee Schedule**

Effective 03/25/2024

NICHE INURNMENT SPACE

| | |
|---|--------------------|
| Niche Space
(Includes 1St Inscription) | \$ 895.00 |
| Opening/Closing | \$ 165.00 |
| Endowment | \$ 165.00 |
| Administration Fee | \$ 135.00 |
| TOTAL | \$ 1,360.00 |

DOUBLE NICHE INURNMENT SPACE

| | |
|---|--------------------|
| Niche Space
(Includes 1St Inscription) | \$ 895.00 |
| Opening/Closing | \$ 330.00 |
| Endowment | \$ 165.00 |
| Administration Fee | \$ 270.00 |
| TOTAL | \$ 1,660.00 |

| OUTSOURCE COSTS | | OTHER FEES | |
|---|--|-----------------------|-------------|
| 2nd Niche Inscription | Market Cost | Vase (taxable) | \$ 40.00 |
| Picture - Black & White | Market Cost | Transfer Fee | \$ 55.00 |
| Picture - Color | Market Cost | Eligible Non-Resident | 22% |
| Drill hole for vase at time of 1st Inscription. | \$ 100.00 | Disinurnment | \$ 1,000.00 |
| Drill hole for vase after interment | \$ 300.00 | | |
| Complete Shutter Replace/New Inscription | Market Cost + opening/closing+ inscription+ shipping | | |

We accept credit/debit cards

Amended March 25, 2024

Our Convenience Fee is 3.5% of the amount charged.
All Fees subject to change without notice.

Cost Avoidance Programs

PVCD reports that they have no formal cost avoidance programs in place at this time. Due to the nature of the limited services provided by the District, there is very little ability for the District to implement cost avoidance programs on any significant level. The District notes that they do look for competitive bidding for outside services when needed and are active in pursuing grant funding to offset costs. Additionally the District maintains a “zero waste” cost/efficiency goal while not interfering with providing the best service possible.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are nine disadvantaged unincorporated communities related to the City of Blythe within PVCD’s SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for PVCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to PVCD at this time:

Maintain the status quo.

PVCD’s government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a

small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District's current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission's consideration:

1) *Growth and Population Projections*

- PVCD currently serves an estimated 2023 population of approximately 20,000 over a geographical area of approximately 1,063 square miles. The District encompasses the City of Blythe and large unincorporated areas east to the state line, north and south to the San Bernardino County and Imperial County borders respectively, and west covering most of the Mohave Desert
- Although the District does not retain any land use planning and entitlement authority as those functions are reserved for cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.
- PVCD's service area has potential for growth but growth is anticipated to be slow over time.
- Most growth is likely to occur within the City of Blythe and the immediate adjacent unincorporated areas which are all within the District's jurisdictional boundary.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.*

- There are nine disadvantaged unincorporated communities related to the City of Blythe within PVCD's jurisdictional boundary and SOI.
- The District serves communities with a high number of very low income impoverished families.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- PVCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any capacity or

service constraints at this time, and is fully capable of providing adequate services to the current District boundaries.

- The District has the present capacity to provide services within the District and capacity to support future growth areas with no apparent difficulty nor constraints.
- The District has sufficient undeveloped land available to support future growth and providing sufficient capacity for providing interment service requirements.
- The District notes that the undeveloped area of the cemetery can support 14,773 adult plots.
- There are no deficiencies related to the nine DUCs identified within PVCD's SOI.

4) *Financial Ability of the District to Provide Services*

- Currently, PVCD has the financial ability to provide the current level of services provided, while meeting the debt service requirements of the bond debt currently held.
- PVCD operates effectively and efficiently as possible with limited staff to minimize administrative overhead costs.
- Sufficient revenues and ability to set charges for services commensurate with costs of services allows PVCD to maintain financial stability. The District actively pursues available grants as they occur.
- The Endowment restricted revenues substantially support long term stability in cemetery longevity.

5) *Status of, Opportunities for Shared Facilities*

- There is no foreseeable opportunity for shared facilities as PVCD only provides cemetery services and only maintains an office building with no other structures. Primary infrastructure is limited to the cemetery grounds.

6) *Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.*

- PVCD is governed by a three-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 3 personnel.

- Service needs are being met by PVCD without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- PVCD primarily conducts outreach via newspapers, radio, its website, Board of Trustee meetings and direct interface with customers.
- Website information is well organized providing relevant information for the constituency. Board of Trustees meeting agendas are posted on the District's website, although written staff reports are not included. Board minutes are posted after approval. The website lists the members of the Board of Trustees and includes direct email addresses to contact Board of Trustees members, and the General Manager.
- The District website includes links to the State Controller's portal for compensation information and required financial reporting, and budget and annual audit information. The website includes the District's fee schedule.
- The District is in the process of planning and implementing appropriate updates to the website for inclusion of additional transparency.
- No alternative government structure options are considered superior to the current structure at this time.

7) *Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.*

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

PVCD's sphere of influence is coterminous with its current service boundary.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, there are no realistic opportunities for expansion of PVCD's SOI.

Sphere of Influence Options

Only one option is identified with respect to PVCD's SOI.

Option #1: Maintain the current SOI.

Should the LAFCO Commission desire to continue to reflect the intention to maintain PVCD's existing SOI, then re-affirmation of the current SOI is appropriate.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

- 1) *The present and planned land uses in the area, including agricultural and open-space lands.***
 - PVCD is not an authorized land use planning authority. The City of Blythe and the County of Riverside are responsible for land use planning within their respective jurisdictions.
 - Current land use and zoning is a mix of urban development and a rural mix.
 - It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the area.

- 2) *The present and probable need for public facilities and services in the area.***
 - Current services are considered adequate to support the area, including support of future growth within the current PVCD jurisdictional boundaries and SOI.
 - Long term, the District has sufficient undeveloped land available to support future growth and sufficient capacity for providing interment service requirements.
 - Expansion of services will require sufficient revenues to support the cost of any service expansion.

- 3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.***
 - Sufficient capacity of current PVCD facilities exists to support providing adequate public services authorized and being provided.
 - Long term, the District has sufficient undeveloped land available to support future growth and sufficient capacity for providing interment service requirements.

- The District notes that the undeveloped area of the cemetery can support 14,773 adult plots.

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.*

- The District serves communities with a high number of very low-income impoverished families scattered throughout the District.

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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.*

- There are nine disadvantaged unincorporated communities related to the City of Blythe within PVCD's jurisdictional boundary and SOI.
- The District does not provide water, wastewater nor fire protection services.

Chapter 6- San Jacinto Valley Cemetery District

OVERVIEW / BACKGROUND

The San Jacinto Valley Cemetery District (SJVCD or District) was officially formed in 1917 as a special district in accordance with the State of California Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq.

The District's official boundaries encompass approximately 200,514 acres (313.3 sq. mi.) including the Cities of San Jacinto and Hemet and large unincorporated areas east of the cities, south of Hemet, and the Valle Vista, Winchester and a portion of the Homeland communities. Population served is estimated by the District at approximately 152,700 in 2023. The cemetery property consists of 64 acres, with 12 acres that are undeveloped in the northern portion of the cemetery which extend to Midway Street.

Historical Information (SJVCD Website & Information Submittal)

"In the heart of the San Jacinto Valley sits the San Jacinto Valley Cemetery District. With its park like setting it is a focal point of the San Jacinto Valley. The history of the Valley can be traced back to many generations of pioneer, farming and ranching families that are buried here. The earliest burials date back to mid 1800's. The Cemetery has approximately 24,000 burials. Among them are more than 2,300 Veterans dating back to the Civil War."

"The Cemetery became a formal Association on January 12, 1888 in San Diego County, and then it became a district as of September 1917 in Riverside County."

Mission Statement:

"Within the parameters of our authority, resources and ability. Our mission is to provide a cost effective interment of human remains consistent with the needs of those we serve; and, to maintain an attractive, safe and serene environment for our wards, community, families and friends."

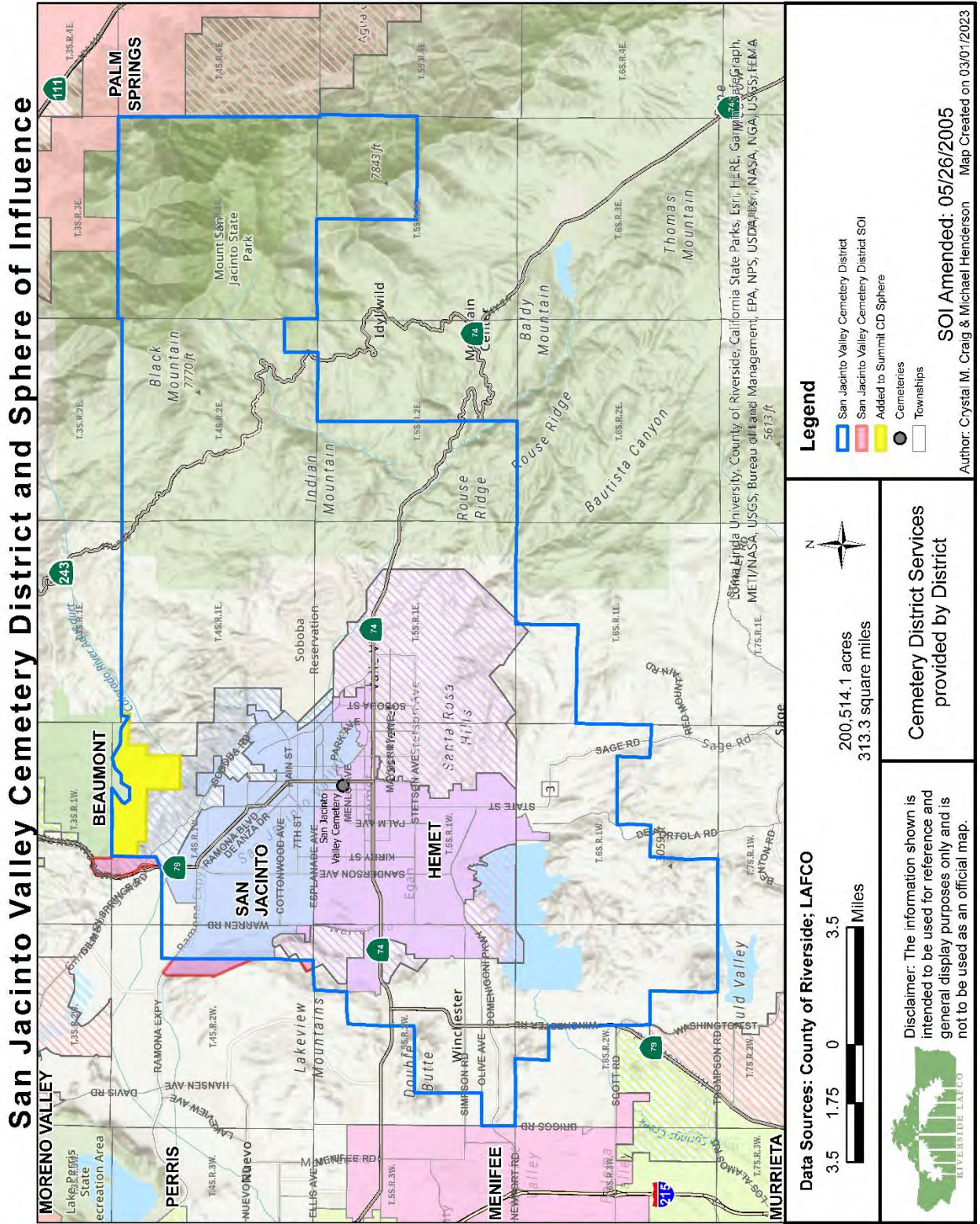
SJVCD provides services to residents outside of its service boundary to the communities of Idyllwild, Anza, Aguanga and Sage. These communities are serviced at non-resident fees. SJVCD's sphere of influence is generally coterminous with its current service boundary however extends into two small areas adjacent to the City of San Jacinto.

On the following pages, **Table 6-1** provides a snapshot profile of SJVCD and **Figure 6-1** provides a map of the District's current boundary and SOI.

Table 6-1- Profile – San Jacinto Valley Cemetery District

| General Information | | | |
|--|--|-----------------------------------|-----------------------|
| Agency Type | Municipal – Public Cemetery District | | |
| Principal Act | California Health & Safety Code Section 9000 et. seq. | | |
| Date Formed | 1917 | | |
| Services Provided | Casket & Ashes Burials, Cremation Niche Wall | | |
| Location | Cemetery & Facility location: 2555 Santa Fe, San Jacinto, CA 92583, (951) 658-4923 | | |
| Sq. Miles/Acres | Approximately 200,514 Acres (313.3 sq. miles) service area. Cemetery – 64 acres | | |
| Contact | Carol Griese, General Manager Sjvcd1917@gmail.com | | |
| Website | www.sjvcd.org | | |
| Population Served | Estimated 152,700 | | |
| Last SOI Update | 2005 | | |
| Governance/Staffing | | | |
| Governing Body | 5-member Board of Trustees, appointed by the Riverside County Board of Supervisors | | |
| Terms | 4-year staggered terms | | |
| Meeting Information | 3rd Tuesday of the Month at 10:30am at the Cemetery Office, 2555 Santa Fe, San Jacinto, CA 92583 | | |
| Total Staff | Approximately 8 employees | | |
| Staff Categories | General Manager, Asst General Manager, Secretary, Foreman, Asst Foreman, Groundskeepers | | |
| Facilities/Other Infrastructure | | | |
| Facilities | District Facility | | |
| Other Infrastructure | 52 acres developed cemetery, 12 acres available for future use | | |
| Financial Information- FY 22/23 Actuals (Audited Financial Statements) | | | |
| | Revenues | Expenditures | Net Surplus/(Deficit) |
| General Fund | \$1,331,089 | \$1,240,293 | \$90,796 |
| Capital Fund | \$69,421 | \$11,393 | \$58,028 |
| Endowment/PreNeed Fund | \$393,896 | \$294,250 | \$99,646 |
| Combined Funds | \$1,794,406 | \$1,545,936 | \$248,470 |
| | FY 22/23 | Long Term Planned Expenditures | |
| Capital Expenditures | \$52,935 | None Identified by the District | |
| General Fund Balance | \$590,603 | June 30, 2023 Financial Statement | |
| Capital Fund Balance | \$86,227 | June 30, 2023 Financial Statement | |
| Endowment/PreNeed Fund Balance | \$2,576,893 | June 30, 2023 Financial Statement | |
| Unrestricted Net Assets | (\$162,643) | June 30, 2023 Financial Statement | |
| Capital Assets (Net) | \$2,252,790 | June 30, 2023 Financial Statement | |
| Net Position (Combined) | \$3,753,634 | June 30, 2023 Financial Statement | |
| Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2020 | | | |
| Long Term Debt | \$52,339- Note Payable & Compensated Absences | | |
| Unfunded Pension Liability | \$867,206 | | |
| Unfunded OPEB Liability | \$1,226,407 | | |
| Notes | | | |

Figure 6-1- Boundary/SOI Map – San Jacinto Valley Cemetery District



GROWTH AND POPULATION PROJECTIONS

SJVCD currently serves an estimated population of approximately 152,700 over a geographical area of approximately 313.3 square miles. The District encompasses the Cities of San Jacinto and Hemet and large unincorporated areas east of the cities and largely rural, south of Hemet, and the Valle Vista, Winchester and a portion of the Homeland. The District's service area has significant potential for growth most notably within the unincorporated areas in and adjacent each city and within the District.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the City of Hemet's population to increase by 18.1%, and the City of San Jacinto's population to increase 27.4% over the next 20 years, with relatively light population growth in the surrounding unincorporated areas. Most growth is likely to occur within each cities boundaries with some in adjacent areas within each city's SOIs.

ACCOUNTABILITY AND GOVERNANCE

Governance

SJVCD is governed by a five-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The SJVCD Board of Trustees meets every 3rd Tuesday of the month at 10:30am at the Cemetery Office, 2555 Santa Fe, San Jacinto, CA 92583, The District's Board of Trustees consists of a Chair, Vice Chair, and three Trustees. There are no current vacancies on the Board of Trustees. All ethics and Form 700 filings are current.

| SJVCD Board of Trustees | Term Expires |
|--------------------------------|---------------------|
| Emily Quast Gorsage | 2028 |
| Ben Cheeseman | 2025 |
| Linda Skipworth | 2025 |
| Myrna Rohr | 2026 |
| Rod Tolliver | 2026 |

The Board of Trustees does not have any standing committees nor any ad hoc committees in place.

Website Transparency

In general, the SJVCD website is well organized and hosts a wide variety of information regarding the cemetery services provided by the District. Information provided includes announcements for any special event that may occur at the cemetery, and a very detailed listing of the fees charged for the various burial options available for selection.

Meeting agendas are posted on the District's website, however written staff reports are not included. Board minutes are also posted after approval. The website does not contain direct email addresses to contact Board of Trustees members for direct access, or District management staff. All email contact is through the District email which is included on the website.

Pertinent financial information for the District including budgets and annual audits, and links to the State Controller's portal for compensation information and required financial reporting are available on the website.

Customer/Constituency Communication

SJVCD informs constituents, patrons, and customers of activities and services primarily through their website. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons. The District supports the Friends of San Jacinto Valley Cemetery volunteer organization discussed further below in the Cooperative Programs section. Information on this organization is listed on the District website.

Customer/Constituency Accountability

SJVCD is proactive in its efforts for ensuring the patrons and customers have access to all information relevant to the facilities and services provided. Staff is the initial and primary contact with all patrons. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount.

The District reports that they have had no complaints in Any recent time going back many years. If a complaint is received, the resolution process is taken one step at a time until resolved. Any complaint that may be received, and actions taken to resolve, would be documented

Complaints are evaluated/responded to by the Executive Assistant within 24-48 hrs. The District General Manager is notified and updated on the status and efforts of the complaints for the purpose of following up with the complainant, if necessary. Complaints are tracked to resolution/response directly by the Executive Assistant.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the General Manager for staff and the Board of Trustees for the General Manager. The District maintains a comprehensive Employee Handbook

for personnel, and a detailed Rules and Regulations document for the use of the cemetery on the District website. This document is also available in Spanish on the District website.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

SJVCD currently provides cemetery burial and cremation niches for all residents within its boundaries. The District also provides services to residents outside of its service boundary to the communities of Idyllwild, Anza, Aguanga and Sage. These communities are serviced at non-resident fees. A key aspect of the services provided include maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. Additionally, the District only contracts for annual audit services and legal counsel as needed. The District does not provide contract services to other agencies.

Facilities/Infrastructure

The SJVCD District Office and cemetery are located at 2555 Santa Fe, San Jacinto, CA 92583. The cemetery includes 52 acres of developed cemetery property and an additional 12 acres of undeveloped land at the corner of Santa Fe and Midway for future use when needed. At this time, there are no other facility, land or other infrastructure owned or maintained by the District.

Service Adequacy

The SJVCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any capacity or service constraints at this time, and is fully capable of providing adequate services to the current District boundaries. The District reports that they have the present capacity to provide services within the District and capacity to support future growth areas with no difficulty nor constraints. There are no other service providers in the District that would constitute a duplication of services.

The District reports that operations and productivity are evaluated routinely, with quarterly staff safety meetings conducted by management, and monthly, quarterly and annual reports to the Board of Trustees. The District notes that it tracks specific staff workload through property maps, various reports from staff and routine evaluations. Long-term objectives and goals are reviewed and approved annually by the Board of Trustees including discussions regarding forecasting of future service needs.

The following statistical information has been provided by the District:

Spaces filled each year on average- 260. For the 3 fiscal years 20/21- 22/23- 779.

Plots/niches occupied- 27,487.

Plots/niches remaining- 1,601.

Current amount of pre-purchased lots- 4,485.

Capacity of District owned undeveloped land- 1,391 lots which will allow 2,376 burials since many lots will accommodate double burials.

Additionally, the District notes that the recently purchased 9 acres of land will accommodate burials for over 50 years.

Facilities/Infrastructure Needs

SJVCD indicates that there are no immediate facility or infrastructure needs at this time or the foreseeable future. There are no presently noted financial constraints under which the District operates. The District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does not anticipate funding additional facilities in the near or far-term future, however does maintain a Capital Fund for any potential needs, including equipment replacements.

Cooperative Programs

SJVCD does not participate in cooperative programs and other cooperative endeavors with other agencies or organizations, nor does it participate in any regional planning or programs. The District is not a member of any Joint Powers Authority. However, the District does enjoy a very robust and long established volunteer organization that assists in keeping the cemetery grounds as beautiful as possible. Excerpts from the District website:

Friends of the San Jacinto Cemetery

"In 1985. Bill Stewart, H.E.(Jeff) Divine, Dolly Chambers, John Johnson and Evelyn Burke, a group of long time San Jacinto Valley residents organized to help the San Jacinto Valley Cemetery District. They committed their heart, soul and physical labor to help beautify the cemetery grounds.

The group has been a valuable asset to the cemetery. Donations are accepted in memory of a loved one, they also provide memorial plaques where you can place a loved ones' name. The plaques are located in the cemetery office for viewing by the public. Donations for trees are accepted, but the placement and planting of trees are under the direction of the Cemetery Management. All the trees and bushes for the cemetery are purchased by the group.

Throughout the years the group has generously made many donations, among them a 50-foot Flag Pole and Memorial Plaque (dedicated to the Harvey family), concrete trash containers, lights & poles. The renovation of the office along with new furniture for the Front Office & Board Room has made the Cemetery's office a comfortable and relaxed atmosphere where families can make final arrangements or arrange advance planning."

FINANCIAL OVERVIEW

SJVCD carries all operational budgeting and accounting in four funds, the General Fund the Capital Fund the Endowment Permanent Perpetual Care Fund (Endowment Fund) and the PreNeed Fund. The General Fund carries all administrative and operational expenditures not covered by the other funds. The Capital Fund carries larger capital projects related to acquisition and/or construction of capital facilities. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The PreNeed Fund includes funds received in advance by customers for purchase of various burial items other than the burial plot. The four combined funds comprise the “Governmental Funds” as reported in the annual audit documents.

The District conducts an independent audit annually, the last three years reflecting an “unmodified” opinion, and provides all required reporting to the State Controller’s Office as required by statutes.

As of FY 22/23 SJVCD had a small amount of debt remaining on a previous loan, and no other significant long-term liabilities other than significant unfunded pension and OPEB liabilities. For the period of fiscal years FY 17/18 – FY 21/22 the Endowment Fund received \$427,180 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its governmental funds reporting a combined fund balance of \$3,253,723, which is above the previous year's ending fund balance of \$3,005,253. The primary driver of the increased fund balance is due primarily to increased end of year surpluses in all four funds.

Overall, the financial position of the District is considered relatively stable at this time, with sufficient unrestricted fund balance available for short term potential revenue/expenditure deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels at this time.

Table 6-2 on the following page, provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 6-2- Financial Information- San Jacinto Valley Cemetery District

| Financial Information (Actuals- Audited Financial Statements) | | | |
|---|-----------------|-----------------|-----------------|
| | FY 22/23 | FY 21/22 | FY 20/21 |
| General Fund Revenues/Transfers | \$1,331,089 | \$1,271,343 | \$2,042,476 |
| General Fund Expenditures/Transfers | \$1,240,293 | \$1,092,366 | \$2,036,995 |
| General Fund Surplus/(Deficit) | \$90,796 | \$178,977 | \$5,481 |
| Capital Fund Revenues/Transfers | \$69,421 | \$45,726 | \$60,335 |
| Capital Fund Expenditures/Transfers | \$11,393 | \$76,305 | \$171,072 |
| Capital Fund Surplus/(Deficit) | \$58,028 | (\$30,579) | (\$110,737) |
| Endowment/PreNeed Fund Revenues/Transfers | \$393,896 | \$375,297 | \$457,348 |
| Endowment/PreNeed Fund Expenditures/Transfers | \$294,250 | \$343,722 | \$695,312 |
| Endowment/PreNeed Fund Surplus/(Deficit) | \$99,646 | \$31,575 | (\$237,962) |
| Capital Outlay | \$52,935 | \$17,130 | \$1,136,027 |
| Debt Service Expenditures | \$198,476 | \$112,825 | \$83,692 |
| Long Term Liabilities | \$52,339 | \$159,018 | \$252,347 |
| Unrestricted Net Assets (Reserve) | (\$162,643) | (\$367,656) | (\$879,394) |
| Restricted Net Assets (Reserve) | \$2,576,893 | \$1,640,480 | \$1,614,250 |
| Capital Assets (Net of Depreciation) | \$2,252,790 | \$2,278,011 | \$2,341,304 |
| Unfunded Pension Liability | \$867,206 | \$203,485 | \$575,037 |
| Unfunded OPEB Liability | \$1,226,407 | \$1,217,781 | \$1,556,535 |
| Net Position | \$3,753,634 | \$3,311,859 | \$2,768,789 |
| Note- Endowment & PreNeed Funds combined for this table since related to future commitments. Long Term Liabilities is for Compensated Absences (Excludes Pension/OPEB liabilities) | | | |

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

For SJVCD, the General Fund revenue trend has been uneven, with a significant decrease in FY 21/22, however an increase in FY 22/23. The expenditure trend has fluctuated similarly over the listed three fiscal years. However, the General Fund overall has reflected annual surpluses over the three-year period. The Capital Fund also exhibits fluctuations up or down in revenues and expenditures over the last three fiscal years. The Endowment/PreNeed Funds reflect similar characteristics with the last two fiscal years notes as end of year surpluses.

These trends appear to represent a somewhat stagnant growth scenario that when factoring in rising costs, may ultimately reflect in degradation of services. However, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency’s ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn’t always possible in some agencies.

SJVCD in FY 22/23 received approximately 37% of its overall revenues from payments into the Endowment Fund & the PreNeed Fund. The General Fund received approximately 49% of its revenue from property taxes, 27.5% from charges for services, and the remainder from miscellaneous sources. The Capital Fund received a minimal amount for the fiscal year.

Since the District’s revenue stream for the General Fund is not diversified to any extent, and the Endowment Fund and PreNeed Fund are restricted revenues, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund

balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

SJVCD's General Fund unassigned fund balance of \$590,603 for FY 22/23 is approximately 47.6% of expenditures for the year. The District's combined Endowment and PreNeed Funds restricted fund balance of \$2,576,893 for FY 22/23 is approximately 936.9% of the FY 22/23 expenditures from this fund. These fund balance ratios fall well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

SJVCD has no bond debt and a very small secured debt of \$45,967 as of FY 22/23 which was near retirement. Therefore no ratio to assess, which in turn is a positive aspect to overall financial stability. The District does maintain significant pension and OPEB unfunded liability discussed later in this report.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

SJVCD's FY 22/23 ending net position was calculated by the auditors at \$3,753,634 with a deficit of \$217,409 identified as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a significant amount of Net Position includes Capital Assets which is mostly cemetery grounds that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show an increasing trend annually which is a positive indicator for the District. It should be noted that although the unrestricted net position shows a deficit, this is significantly offset by the restricted net position of the Endowment and PreNeed Fund.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented, many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

SJVCD maintains \$867,206 in pension unfunded liability, and \$1,226,407 in Other Post Employment Benefits (OPEB) unfunded liability as per the audit report for the fiscal year ending June 30, 2023. These amounts should be considered significant. Efforts should be made to pay down some of this unfunded liability as can be afforded.

The employee pension program is the San Jacinto Valley Cemetery District Cost Sharing Multiple-Employer Defined Benefit Pension Plan administered by CalPERS. The OPEB plan is under the CalPERS administered Public Employees' Medical & Hospital Care Act (PEMHCA).

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

SJVCD's capital assets include primarily the office facility, equipment, and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$3,593,611 in capital assets and \$1,340,821 in accumulated depreciation, resulting in \$2,252,790 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does not anticipate funding additional facilities in the near or far-term future, however, does maintain a Capital Fund for any potential needs, including equipment replacements.

However, the District budgets priority infrastructure maintenance and improvement projects based on annual availability of revenue resources. The District noted that monthly budget allocation are made to the Capital Projects Fund which for FY 22/23 reflected a total fund balance of \$86,277. It should be noted that some capital type projects that benefit the cemetery and the public use can be funded with Endowment Fund assets.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

SJVCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care fees. As the primary source of revenue for operating and maintaining the cemetery property, these fees are updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

Additionally, the District has established a PreNeed Program for advance payment of costs associated with burial services. As noted by the District website:

“We understand that the burial of a loved one can be quite costly. We hope that by providing a Pre-need program we can lighten the financial burden, when a death does occur. The Pre-need program allows you or your family members to pay for expenses prior to the time of death. You can prepay in full for all the burial services or use our Payment Plan, this allows you to pay in 12 monthly installments. A small down payment is required. There is no interest charge on the contract.”

The following pages provides the SJVCD fee schedule from the District website.

Burial

The San Jacinto Valley Cemetery District is a public Cemetery providing burials for the residents and taxpayers of the District. **A person must meet eligibility to use our facility as stated in the California Health & Safety Code.**

- * Live within the SJVCD (San Jacinto, Hemet, Winchester and Valle Vista) **Resident**
- * Own property within the SJVCD (Resident)
- * Have relatives buried in the SJVC
- * Have lived in the SJVCD 5 out of the last 10yrs
- * Live in an area serviced by the SJVCD (Idyllwild, Anza, Aguanga and Sage) **Non-Resident Fees**

When a person meets eligibility then the cost of services is determined by Residency. **Charges for each case may be different. Please contact the Cemetery offices for exact charges.**

Resident Prices

\$1,800.00 **1 Lot**
\$ 650.00 Endowment Care
\$2,450.00

\$ 700.00 Open/Close
\$ 650.00 Bell Liner
\$1,350.00

\$3,800.00 Total

Non-Resident Prices

\$2,000.00 **1 Lot**
\$ 650.00 Endowment Care
\$2,650.00

\$ 850.00 Open/Close
\$ 750.00 Bell Liner
\$1,600.00

\$4,250.00 Total

\$1,800.00 **1 Lot**
\$ 650.00 Endowment Care
\$2,450.00

\$ 700.00 Open/Close
\$ 700.00 Vault
\$1,400.00

\$3,850.00 Total

\$2,000.00 **1 Lot**
\$ 650.00 Endowment Care
\$2,650.00

\$ 850.00 Open/Close
\$ 800.00 Vault
\$1,650.00

\$4,300.00 Total

\$1,800.00 **1 Lot**
\$ 650.00 Endowment Care
\$2,450.00

\$ 700.00 Open/Close
\$ 250.00 Vault S/C**
\$ 950.00

\$3,400.00 Total

\$2,000.00 **1 Lot**
\$ 650.00 Endowment Care
\$2,650.00

\$ 850.00 Open/Close
\$ 300.00 Vault S/C**
\$1,150.00

\$3,800.00 Total

****Service charge on all Vaults not purchased at the cemetery. Oversized Vaults check price with the office.**

\$2,300.00 **1 Lot Double Depth**
\$ 650.00 Endowment Care
\$2,950.00

1st Burial
\$ 770.00 Open/Close
\$ 900.00 Crypt
\$1,670.00

**\$4,620.00 Total (1 Burial in DD Lot
- Paid in full)**

\$ 700.00 **2nd Open/Close**

\$5,320.00 Total for 2 Burials

\$2,500.00 **1 Lot Double Depth**
\$ 650.00 Endowment Care
\$3,150.00

1st Burial
\$ 920.00 Open/Close
\$1,000.00 Crypt
\$1,920.00

**\$5,070.00 Total (1 Burial in DD Lot
- Paid in full)**

\$ 850.00 **2nd Open/Close**

\$5,920.00 Grand Total for 2 Burials

\$1,400.00 **1 Lot Double Ashes**
\$ 425.00 Endowment Care
\$1,825.00

1st Ashes Burial
\$ 400.00 Open/Close
\$ 300.00 Cremation Vault
\$ 700.00

**\$2,525.00 Total paid in full
for 1 Burial in a Double Ashes Lot**
\$1,400.00 **1 Lot Double Ashes**
\$ 425.00 Endowment Care
\$1,825.00

1st Ashes Burial
\$ 400.00 Open/Close
\$ 65.00 Cremation Vault S/C **
\$ 465.00

**\$2,290.00 Total paid in full
for 1 Burial in a Double Ashes Lot**

\$1,600.00 **1 Lot Double Ashes**
\$ 425.00 Endowment Care
\$2,025.00

1st Ashes Burial
\$ 500.00 Open/Close
\$ 395.00 Cremation Vault
\$ 895.00

**\$2,920.00 Total paid in full
for 1 Burial in a Double Ashes Lot**
\$1,600.00 **1 Lot Double Ashes**
\$ 425.00 Endowment Care
\$2,025.00

1st Ashes Burial
\$ 500.00 Open/Close
\$ 85.00 Cremation Vault S/C **
\$ 585.00

**\$2,610.00 Total paid in full
for 1 Burial in a Double Ashes Lot**

****Service charge on all Vaults not purchased at the cemetery. Oversized
Vaults check price with the office.**

Endowment Care is a one time maintenance fee (Non-Refundable)

Cremation Niche Wall

Please contact the Cemetery office for exact measurement of Niche compartments.

Resident Prices

A & B Top Tiers

\$1,200.00 Niche
\$ 235.00 Endowment Care
\$ 245.00 Open/Close
\$ 125.00 Niche Plate Engraving
\$ 50.00 Niche Plate Handling Fee

\$1,855.00 Total for 1 Ashes Burial*

Non-Resident Prices

A & B Top Tiers

\$1,400.00 Niche
\$ 235.00 Endowment Care
\$ 325.00 Open/Close
\$ 125.00 Niche Plate Engraving
\$ 100.00 Niche Plate Handling Fee

\$2,185.00 Total for 1 Ashes Burial*

C & D Middle Tiers

\$1,100.00 Niche
\$ 235.00 Endowment Care
\$ 245.00 Open/Close
\$ 125.00 Niche Plate Engraving
\$ 50.00 Niche Plate Handling Fee

\$1,755.00 Total for 1 Ashes Burial*

C & D Middle Tiers

\$1,300.00 Niche
\$ 235.00 Endowment Care
\$ 325.00 Open/Close
\$ 125.00 Niche Plate Engraving
\$ 100.00 Niche Plate Handling Fee

\$2,085.00 Total for 1 Ashes Burial*

E Lower Tier

\$1,000.00 Niche
\$ 235.00 Endowment Care
\$ 245.00 Open/Close
\$ 125.00 Niche Plate Engraving
\$ 50.00 Niche Plate Handling Fee

\$1,655.00 Total for 1 Ashes Burial*

E Lower Tier

\$1,200.00 Niche
\$ 235.00 Endowment Care
\$ 325.00 Open/Close
\$ 125.00 Niche Plate Engraving
\$ 100.00 Niche Plate Handling Fee

\$1,985.00 Total for 1 Ashes Burial*

***Totals do not include any charges for 2nd opening & closing, plate engraving & handling fees.**

Endowment Care is a one time maintenance fee (Non-Refundable)

All prices are subject to change.

Cost Avoidance Programs

SJVCD reports that they have no formal cost avoidance programs in place at this time. Due to the nature of the limited services provided by the District, there is very little ability for the District to implement cost avoidance programs on any significant level. The District's financial status is generally sound, the operations of the District are appropriately managed for the services performed.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are seven disadvantaged unincorporated communities related to the Cities of Hemet and San Jacinto within or near SJVCD's SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for SJVCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to SJVCD at this time:

Maintain the status quo.

SJVCD's government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District's current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission's consideration:

1) *Growth and Population Projections*

- SJVCD currently serves an estimated population of approximately 152,700 over a geographical area of approximately 313.3 square miles. The District encompasses the Cities of San Jacinto and Hemet and large unincorporated areas east of the cities and largely rural, south of Hemet, and the Valle Vista, Winchester and a portion of the Homeland.
- SJVCD's service area has significant potential for growth most notably within the unincorporated areas in and adjacent each city and within the District.

- Although SJVCD does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.
- Most growth is likely to occur within each cities boundaries with some in adjacent areas within each city's SOIs.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.*

- There are seven Disadvantaged Unincorporated Communities related to the Cities of Hemet and San Jacinto within or near SJVCD's SOI.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- The SJVCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any capacity or service constraints at this time, and is fully capable of providing adequate services to the current District boundaries.
- SJVCD has the present capacity to provide services within the District and capacity to support future growth area with no apparent difficulty nor constraints.
- There are no deficiencies related to the seven DUCs identified within or near SJVCD's SOI.

4) *Financial Ability of the District to Provide Services*

- Currently, SJVCD has the financial ability to provide the current level of services provided.
- SJVCD operates effectively and efficiently as possible with limited staff to minimize administrative overhead costs.
- Sufficient revenues and ability to set charges for services commensurate with costs of services allows SJVCD to maintain financial stability.
- The Endowment Permanent Fund and the PreNeed Funds maintain substantial revenues for long term stability in cemetery longevity.

5) Status of, Opportunities for Shared Facilities

- There is no foreseeable opportunity for shared facilities as SJVCD only provides cemetery services and only maintains an office building with no other structures. Primary infrastructure is limited to the cemetery grounds.

6) Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.

- SJVCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 8 personnel.
- Service needs are being met by SJVCD without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- SJVCD primarily conducts outreach via its website, Board of Trustee meetings and direct interface with customers.
- No direct email contact information is listed for Board of Trustee members, and no staff reports are provided with the agendas that are posted on SJVCD's website. Financial information and other relevant documents including the current fee schedule are available on the website.
- No alternative government structure options are considered superior to the current structure at this time.

7) Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

SJVCD's sphere of influence is generally coterminous with its current service boundary however extends into two small areas adjacent to the City of San Jacinto.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, there are several areas of potential expansion of SJVCD's SOI that have been identified, in particular, the communities of Idyllwild, Anza, Aguanga and Sage. These communities are serviced by SJVCD at this time under the non-resident fee

program. Staff concurs that these areas, currently not included within any cemetery district boundary would be well served for an SOI expansion and future annexation.

Additionally, there is an area within the SJVCD's jurisdictional boundary just south of the City of Beaumont that is currently in the Summit Cemetery District (SCD) SOI. This area should be removed from SCD's SOI as it is already within the SVJCD jurisdictional boundary. Staff recommends approval of this adjustment.

Sphere of Influence Options

One option is identified with respect to SJVCD's SOI.

Option #1: Maintain the current SOI and recommend the District formally submit an application for an SOI expansion with the appropriate mapping denoting the specific boundaries of the proposed expanded SOI.

Authorize removal of the area adjacent to the City of Beaumont within the District jurisdictional boundary from the Summit Cemetery District SOI.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

- 1) ***The present and planned land uses in the area, including agricultural and open-space lands.***
 - SJVCD is not an authorized land use planning authority. The Cities of Hemet and San Jacinto and the County of Riverside are responsible for land use planning within their respective jurisdictions.
 - Current land use and zoning is a mix of urban development and a rural mix.
 - It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the area.
- 2) ***The present and probable need for public facilities and services in the area.***
 - Current services are considered adequate to support the area, including support of future growth within the current SJVCD jurisdictional boundaries and SOI.
 - Long term, there most likely be a need for expansion of available land for providing sufficient interment sites to support future growth.

- Expansion of services will require sufficient revenues to support the cost of any service expansion.
- 3) ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.***
- Sufficient capacity of current facilities exists to support providing adequate public services authorized and being provided.
 - Long term services most likely will require additional land for interment services provided.
- 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.***
- There are no specific socio or economic “communities of interest” within the SJVCD jurisdictional boundaries that require special attention.
 - There are several low income and disadvantaged areas scattered throughout the cities and unincorporated areas within the SJVCD boundaries, and are serviced by the District.
- 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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.***
- There are seven Disadvantaged Unincorporated Communities related to the Cities of Hemet and San Jacinto within or near SJVCD’s SOI.
 - The District does not provide water, wastewater nor fire protection services.
 - Cemetery services in these communities are subject to the residency requirements of the District.

Chapter 7- Summit Cemetery District

OVERVIEW / BACKGROUND

The Summit Cemetery District (SCD or District) was officially formed in 1996 as a special district in accordance with the State of California Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. In July of 1996, the Banning-Cabazon Cemetery District (San Gorgonio Memorial Park) (formed in 1931), and the Beaumont Public Cemetery District (formed in 1921), consisting of Mt. View Cemetery and Sunnyslope Cemetery, were consolidated under one governing board to create the Summit Cemetery District.

The District's boundaries encompass approximately 183,250.7 acres (286.3 sq. mi.) including the Cities of Banning, Beaumont and Calimesa, and the unincorporated communities of Cabazon and Cherry Valley and east to North Palm Springs, and west to County Line Road in Calimesa. The District estimates the population served is approximately 120,000. The SCD has three cemeteries- San Gorgonio Memorial Park Cemetery, Mountain View Cemetery, and Sunnyslope Cemetery. The cemetery property consists of 48.7 acres total.

The addresses of each cemetery are listed as follows:

Mountain View Cemetery
1315 Edgar Ave
Beaumont, CA 92223

Sunnyslope Cemetery
40 S. Pennsylvania Avenue
Beaumont, CA 92223

San Gorgonio Memorial Park Cemetery
2201 N. San Gorgonio
Banning, CA 92220

Historical Information (SCD Website)

*"In July of 1996, Banning-Cabazon Cemetery District *(San Gorgonio Memorial Park) and Beaumont Public Cemetery District, consisting of *Mt. View Cemetery and *Sunnyslope Cemetery, were consolidated under one governing board to create the Summit Cemetery District.*

The cemetery district serves the residents of the district, which includes Banning, Cabazon, and east to North Palm Springs, as well as Beaumont, Cherry Valley and west to County Line Road in Calimesa.

*It is a full endowment care cemetery district offering a *variety of services, including full interments and options for cremains."*

“San Gorgonio Memorial Park is located in Banning and serves as the District Office. The original 3.74 acres, which was owned by the Southern Pacific Railroad in the late 1800's, was purchased in 1905 by five Banning citizens, who soon incorporated to form the Banning Cemetery Association. All five men are now buried in the cemetery. In 1931 the Banning-Cabazon Cemetery District was created. San Gorgonio Memorial Park now encompasses over 25 acres of beautiful hillside property lying within the City of Banning. With the San Gorgonio Mountains as a backdrop, visitors to the cemetery may pay respects to loved ones in a natural, serene setting.”

“Mt. View Cemetery is located in Beaumont. It began as a family cemetery. The first known burial was in 1843. In 1888 the Osburn family donated the three acre cemetery to the City of Beaumont. In 1921, Beaumont Public Cemetery was formed. Currently the cemetery comprises 10.7 acres, the last of which was donated by the Carl Mellor family. The latest addition to the grounds is beautiful wall niches expanding from the beautiful fountain niche for those desiring inurnment. It also boasts a bell tower which provides bells and music for visitors, as well as the surrounding community. The beautiful park-like setting lies within the City of Beaumont. Mt. View Cemetery Office serves both Mt. View and Sunnyslope Cemeteries.”

“Stewart Sunnyslope Cemetery is located in Beaumont. Sunnyslope also began as a family cemetery. Its original six acres were donated to the City of Beaumont in 1888. Sunnyslope Cemetery was included in the formation of the District in 1921. During the next forty years, the Stewart family donated another seven acres, as well as the current well pump and pressure system. The newest development is the large niche area surrounded by beautiful concrete designs, benches, creative landscaping and a uniquely designed gazebo for services. This historic site offers the serenity, charm and dignity to a growing area.”

SCD provides services to residents outside of its service boundary under specific eligibility requirements. SCD's sphere of influence is generally coterminous with its current service boundary however extends into three large areas west, south, and southeast of the City of Beaumont.

Mission Statement:

“To maintain in perpetuity, attractive memorial parks at affordable prices, for the continuing benefit of the people.”

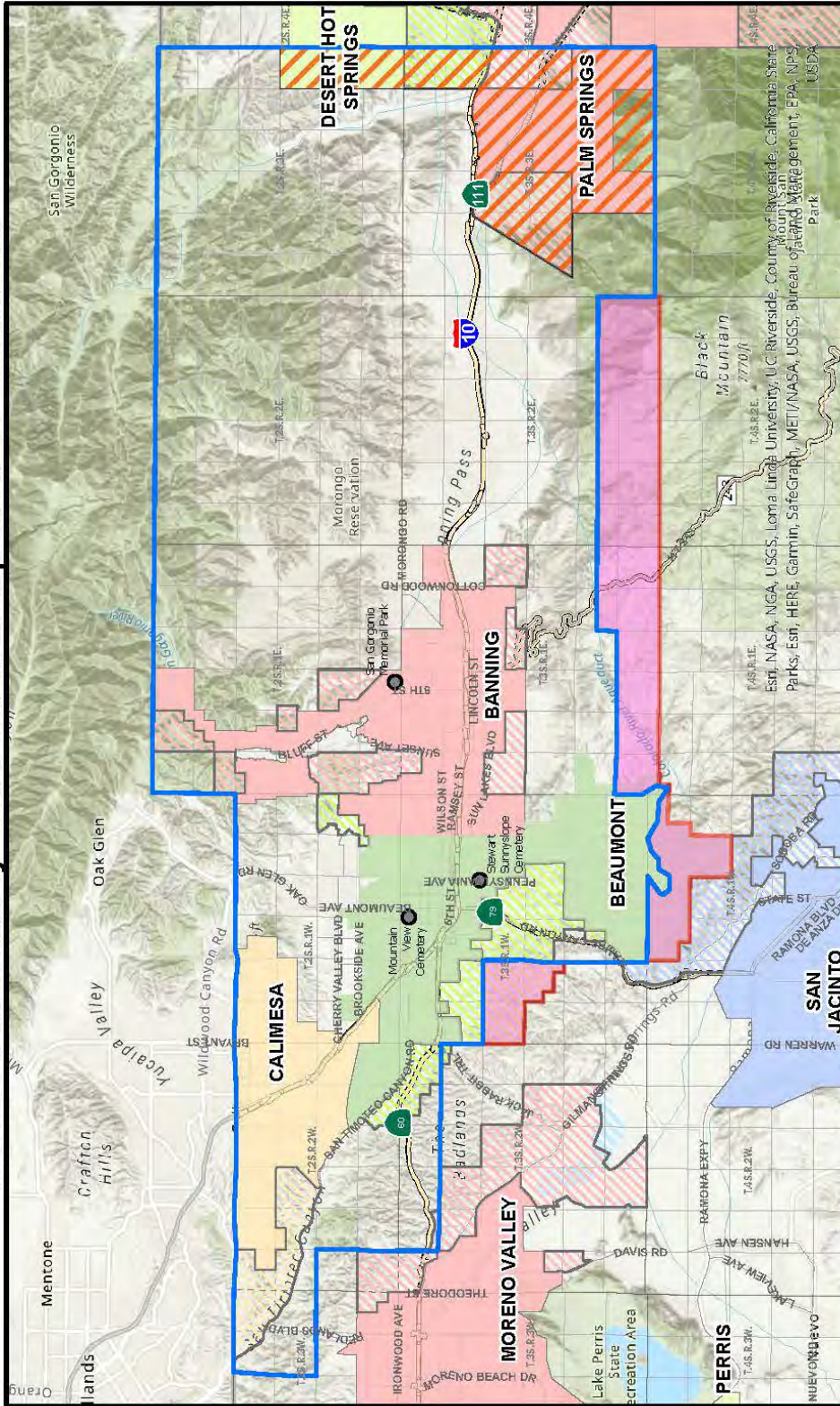
On the following pages, **Table 7-1** provides a snapshot profile of SCD and **Figure 7-1** provides a map of the District's current boundary and SOI.

Table 7-1- Profile – Summit Cemetery District

| General Information | | | |
|---|--|-----------------------------------|-----------------------|
| Agency Type | Municipal – Public Cemetery District | | |
| Principal Act | California Health & Safety Code Section 9000 et. seq. | | |
| Date Formed | 1996 (See Overview/Background) | | |
| Services Provided | Casket Burials, Cremation, Niches | | |
| Location | Office location: 2201 N. San Gorgonio, Banning, CA 92592, (951) 699-1630 (Cemetery Locations- See Overview/Background) | | |
| Sq. Miles/Acres | Approximately 183,250.7 Acres (286.3 sq. miles) service area. Combined Cemeteries – 48.7 acres | | |
| Contact | Donnie Sibole, District Manager summitss@verizon.net | | |
| Website | www.summitcemeterydistrict.com | | |
| Population Served | Estimated 120,000 | | |
| Last SOI Update | 2005 | | |
| Governance/Staffing | | | |
| Governing Body | 5-member Board of Trustees, appointed by the Riverside County Board of Supervisors | | |
| Terms | 4-year staggered terms | | |
| Meeting Information | 2nd Tuesday of the Month at 8:00am at the Sunnyslope Cemetery, 40 S. Pennsylvania Avenue, Beaumont, CA 92223 | | |
| Total Staff | Approximately 10 employees | | |
| Staff Categories | District Manager, Admin Support, Groundskeepers | | |
| Facilities/Other Infrastructure | | | |
| Facilities | District Offices | | |
| Other Infrastructure | 3 cemeteries totaling 49.7 acres | | |
| Financial Information- FY 22/23 Actuals (Audited Financial Statements) | | | |
| | Revenues | Expenditures | Net Surplus/(Deficit) |
| General Fund | \$2,745,289 | \$1,807,535 | \$937,754 |
| Capital Fund | (\$1,344) | \$0 | (\$1,344) |
| Endowment/PreNeed Funds | \$146,631 | \$93,775 | \$52,856 |
| Combined Funds | \$2,890,576 | \$1,901,310 | \$989,266 |
| | FY 23/24 | Long Term Planned Expenditures | |
| Capital Expenditures | \$92,557 | None. | |
| General Fund Balance | \$3,912,448 | June 30, 2023 Financial Statement | |
| Capital Fund Balance | \$1,843,655 | June 30, 2023 Financial Statement | |
| Endowment/PreNeed Fund Balance | \$2,618,734 | June 30, 2023 Financial Statement | |
| Unrestricted Net Assets | \$2,952,810 | June 30, 2023 Financial Statement | |
| Capital Assets (Net) | \$1,504,540 | June 30, 2023 Financial Statement | |
| Net Position (Combined) | \$6,527,715 | June 30, 2023 Financial Statement | |
| Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2020 | | | |
| Long Term Debt | \$72,075 | | |
| Unfunded Pension Liability | \$1,828,778 | | |
| Unfunded OPEB Liability | \$2,898,777 | | |
| Notes- Long Term Debt- Compensated Absences, no Bond or other Long Term Debt | | | |

Figure 7-1- Boundary/SOI Map – Summit Cemetery District

Summit Cemetery District and Sphere of Influence



Data Sources: County of Riverside; LAFCO

183,250.7 acres
286.3 square miles

Scale: 0 to 3.5 Miles

North Arrow

Legend

- Summit Cemetery District
- Summit Cemetery District Sphere of Influence
- Added to Palm Springs CD Sphere
- Cemeteries
- Townships

SOI Amended: 05/26/2005

Author: Crystal M. Craig & Michael Henderson Map Created on 03/01/2023

Cemetery District Services provided by District

Disclaimer: The information shown is intended to be used for reference and general display purposes only and is not to be used as an official map.

GROWTH AND POPULATION PROJECTIONS

SCD currently serves an estimated population of approximately 120,000 over a geographical area of approximately 286.3 square miles. The District encompasses the Cities of Banning, Beaumont and Calimesa, and the unincorporated communities of Cabazon and Cherry Valley and east to North Palm Springs, and west to County Line Road in Calimesa. The District has not projected any specific areas for growth, however the District's service area has significant potential for growth, most notably within the cities and the unincorporated areas in and adjacent to each city and within the District.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the combined cities' population to increase 34.35% over the next 20 years, with relatively moderate population growth in the surrounding unincorporated areas. Most growth is likely to occur within each cities' boundaries with some in adjacent areas within each city's SOIs.

ACCOUNTABILITY AND GOVERNANCE

Governance

SCD is governed by a five-member Board of Trustees, appointed by the Riverside County Board of Supervisors to four-year staggered terms. The SCD Board of Trustees meets every 2nd Tuesday of the month at 9:00am at the Sunnyslope Cemetery, 40 S. Pennsylvania Avenue, Beaumont, CA 92223 The District's Board of Trustees consists of a President, Vice President, Secretary and two Trustees. There are no current vacancies on the Board of Trustees. All ethics and Form 700 filings are current.

| SCD Board of Trustees | Term Expires |
|------------------------------|---------------------|
| Helen Enriquez | 2028 |
| Carol Hennessy | 2028 |
| Melvin Foster | 2028 |
| Linda Smith | 2025 |
| Myrna Eberhardt | 2024 |

The Board of Trustees does not have any standing committees nor any ad hoc committees in place.

Website Transparency

In general, the SJVCD website sufficiently organized and hosts a variety of information regarding the cemetery services provided by the District. Information provided includes important announcements, an online burial search portal for each cemetery, and a very detailed listing of the fees charged for the various burial options available for selection.

Meeting agendas are posted on the District's website, however written staff reports are not included. Board of Trustees minutes are also posted after approval. The website does not contain direct email addresses to contact Board of Trustee members for direct access. District staff direct email links are included on the website. Pertinent financial information for the District including budgets and annual audits are not provided on the website. Links to the State Controller's portal for compensation information and required financial reporting are available on the website.

Customer/Constituency Communication

SCD informs constituents, patrons, and customers of activities and services primarily through their website and in person direct communication. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons.

Customer/Constituency Accountability

SCD ensures the patrons and customers have access to all information relevant to the facilities and services provided in person and available on the District website. Staff is the initial and primary contact with all patrons. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount.

Complaints related to service can be submitted by email, telephone or in person. The District reports that they have had no complaints in the past several years. If a complaint is received, the resolution process is to take the necessary actions to correct the issue in a timely manner to resolution. The District does not maintain a formal process to track complaints.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the District Manager for staff and the Board of Trustees for the District Manager. The District maintains a comprehensive Policy Manual for personnel.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

SCD currently provides cemetery burial and cremation niches for all residents within its boundaries. The District also provides services to residents outside of its service boundary at non-resident fees. A key aspect of the services provided include

maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. Additionally, the District only contracts for annual audit services and legal counsel as needed. The District does not provide contract services to other agencies.

Facilities/Infrastructure

The SCD maintains three cemeteries within the District. The District Office is located at the San Gorgonio Memorial Park Cemetery, 2201 N. San Gorgonio, Banning, CA 92220.

The addresses of each cemetery are listed as follows:

Mountain View Cemetery
1315 Edgar Ave
Beaumont, CA 92223

Sunnyslope Cemetery
40 S. Pennsylvania Avenue
Beaumont, CA 92223

San Gorgonio Memorial Park Cemetery
2201 N. San Gorgonio
Banning, CA 92220

The combined three cemeteries include 48.7 acres with undeveloped land for future use when needed. At this time, there are no other facilities, land or other infrastructure owned or maintained by the District.

Service Adequacy

SCD provides the services it has intended to provide with no significant issues since its establishment. The District reports that there are no capacity or service constraints at this time, and is capable of providing adequate services to the current District boundaries. The District reports that they have the present capacity to provide services within the District and capacity to support future growth area with no difficulty nor constraints. There are no other service providers in the District that would constitute a duplication of services.

The District reports that operations and productivity are evaluated routinely, through the employee evaluation process previously noted, and work observed by the District Manager. Short and long term forecasts of service needs are performed via discussions with management and staff concerning items that need to be addressed, with any identified project scheduled for accomplishment. The District notes utilization of prior service history to assist in forecasting of future service needs.

The following statistical information has been provided by the District:

- Spaces filled each year on average- 200. For the last 3 fiscal years – 450-600.
- Plots/niches occupied- several hundred.
- Plots/niches remaining- several hundred.
- Current amount of pre-purchased lots- 5-10% of remaining available.
- Capacity of District owned undeveloped land- several hundred.

Facilities/Infrastructure Needs

SCD indicates that there are no immediate facility or infrastructure needs at this time or the foreseeable future. There are no presently noted financial constraints under which the District operates. The District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does not anticipate funding additional facilities in the near or far-term future, however does maintain a Capital Fund for any potential needs, including equipment replacements.

Cooperative Programs

SCD does not participate in cooperative programs and other cooperative endeavors with other agencies or organizations, nor does it participate in any regional planning or programs. The District is not a member of any Joint Powers Authority.

FINANCIAL OVERVIEW

SCD carries all operational budgeting and accounting in four funds, the General Fund, the Capital Project Fund, the Endowment Permanent Perpetual Care Fund (Endowment Fund), and the PreNeed Fund. The General Fund carries all administrative and operational expenditures not covered by the other funds. The Capital Fund carries larger capital projects related to acquisition and/or construction of capital facilities. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The PreNeed Fund includes funds received in advance by customers for purchase of various burial items other than the burial plot. The four combined funds comprise the “Governmental Funds” as reported in the annual audit documents.

The District conducts an independent audit annually, the last three years reflecting an “unmodified” opinion, and provides all required reporting to the State Controller’s Office as required by statutes.

SCD has no debt no other significant long-term liabilities other than significant unfunded pension and OPEB liabilities. For the period of fiscal years FY 20/21- FY 22/23 the Endowment Fund received \$193,540 in direct charge revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its governmental funds reporting a combined fund balance of \$8,374,837, which is above the previous year's ending fund balance of \$7,385,571. The primary driver of the increased fund balance is due primarily to increased end of year surpluses in all four funds.

Overall, the financial position of the District is considered very stable at this time, with sufficient unrestricted fund balance available for short term potential revenue/expenditure deficits. The District reports funding levels are sufficient to provide the services they perform at desired levels at this time.

Table 7-2 following, provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 7-2- Financial Information- Summit Cemetery District

| Financial Information (Actuals- Audited Financial Statements) | | | |
|---|-----------------|-----------------|-----------------|
| | FY 22/23 | FY 21/22 | FY 20/21 |
| General Fund Revenues/Transfers | \$2,745,289 | \$2,384,160 | \$2,353,902 |
| General Fund Expenditures/Transfers | \$1,807,535 | \$1,865,960 | \$1,721,127 |
| General Fund Surplus/(Deficit) | \$937,754 | \$518,200 | \$632,775 |
| Capital Project Fund Revenues/Transfers | (\$1,344) | \$191,668 | \$16,186 |
| Capital Project Fund Expenditures/Transfers | \$0 | \$0 | \$0 |
| Capital Project Fund Surplus/(Deficit) | (\$1,344) | \$191,668 | \$16,186 |
| Endowment/PreNeed Fund Revenues/Transfers | \$146,631 | (\$54,690) | \$159,961 |
| Endowment/PreNeed Fund Expenditures/Transfers | \$93,775 | \$56,975 | \$72,535 |
| Endowment/PreNeed Fund Surplus/(Deficit) | \$52,856 | (\$116,665) | \$87,426 |
| Capital Outlay | \$92,557 | \$39,570 | \$262,886 |
| Debt Service Expenditures | N/A | N/A | N/A |
| Long Term Liabilities | \$72,075 | \$47,212 | \$54,127 |
| Unrestricted Net Assets | \$2,952,810 | \$1,150,076 | \$1,018,333 |
| Restricted Net Assets | \$2,070,365 | \$2,019,435 | \$2,095,837 |
| Capital Assets (Net of Depreciation) | \$1,504,540 | \$1,511,964 | \$1,566,312 |
| Unfunded Pension Liability | \$1,828,778 | \$1,006,372 | \$1,603,589 |
| Unfunded OPEB Liability | \$2,898,777 | \$2,786,054 | \$2,519,888 |
| Net Position | \$6,527,715 | \$4,681,475 | \$4,680,482 |
| Note- Endowment & PreNeed Funds combined for this table since related to future commitments. Long Term Liabilities is for Compensated Absences (Excludes Pension/OPEB liabilities) | | | |

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

For SCD, the General Fund revenue trend has been steady, with a significant increase in FY 22/23. The expenditure trend has fluctuated over the listed three fiscal years. However, the General Fund overall has reflected significant annual surpluses over the three year period. The Capital Fund also exhibits fluctuations up or down in revenues, however, has not had any expenditures over the last three fiscal years. The Endowment/PreNeed Funds reflect similar characteristics with fluctuating revenues and expenditures. All funds reflect significant fund balances.

These trends and resultant increases in fund balances annually appear to represent a somewhat overall steady growth scenario which appear to be absorbing cost increases as needed. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency’s ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn’t always possible in some agencies.

SCD in FY 22/23 received approximately 5.4% of its overall revenues from payments into the Endowment Fund & the PreNeed Fund. The General Fund received approximately 81.5% of its revenue from property taxes, 14% from charges for services, and the remainder from miscellaneous sources. The Capital Fund reflected a minor deficit amount for the fiscal year.

Since the District’s revenue stream for the General Fund is not diversified to any extent, and the Endowment Fund and PreNeed Fund are restricted revenues, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund

balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

SCD's General Fund unassigned fund balance of \$3,912,448 for FY 22/23 is approximately 216.5% of expenditures for the year. The District's combined Endowment and PreNeed Funds restricted fund balance of \$2,618,734 for FY 22/23 is approximately 279.3% of the FY 22/23 expenditures from this fund. These fund balance ratios fall well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

SCD has no bond debt and no secured debt. Therefore there is no ratio to assess, which in turn is a positive aspect to overall financial stability. The District does maintain significant pension and OPEB unfunded liability discussed later in this report.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

SCD's FY 22/23 ending net position was calculated by the auditors at \$6,527,715 with a positive balance of \$2,952,810 identified as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a portion of Net Position includes Capital Assets which is mostly cemetery grounds that most likely would never be liquidated. The annual net position over the listed three fiscal years does show an increasing trend annually which is a positive indicator for the District.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented, many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

SCD maintains \$1,828,778 in pension unfunded liability, and \$2,898,777 in Other Post Employment Benefits (OPEB) unfunded liability as per the audit report for the fiscal year ending June 30, 2023. These amounts should be considered significant. Efforts should be made to pay down some of this unfunded liability as can be afforded.

The employee pension program is the Summit Cemetery District Cost Sharing Multiple-Employer Defined Benefit Pension Plan administered by CalPERS. The OPEB plan is under the CalPERS administered Public Employees' Medical & Hospital Care Act (PEMHCA).

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

SCD's capital assets include primarily the office facility, equipment, and the cemetery lands not all of which are subject to depreciation. As of June 30, 2023 the District had \$2,824,013 in capital assets and \$1,319,473 in accumulated depreciation, resulting in \$1,504,540 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District does not anticipate funding additional facilities in the near or far-term future, however does maintain a Capital Fund for any potential needs, including equipment replacements.

The District budgets priority infrastructure maintenance and improvement projects based on annual availability of revenue resources. The Capital Projects Fund for FY 22/23 reflected a total fund balance of \$1,843,655. It should be noted that some capital type projects that benefit the cemetery and the public use can be funded with Endowment Fund assets.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

SCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care fees. As the primary source of revenue for operating and maintaining the cemetery property, these fees are updated

as necessary to ensure quality service is delivered while maintaining the lowest cost possible. Additionally, the District has established a PreNeed Program for advance payment of costs associated with burial services.

The following pages provide the SCD fee schedule from the District website.

1315 Edgar Ave.
 Beaumont, CA 92223
 (951) 845-3303

2201 N. San Gorgonio
 Banning, CA 92220
 (951) 849-3725

40 S. Pennsylvania Ave.
 Beaumont, CA 92223
 (951) 845-3303

PRICE LIST

GRAVE PLOT:

| <u>TOTAL</u> | <u>GRAVE</u> | <u>ENDOWMENT</u> |
|--------------|--------------|------------------|
| ADULT SINGLE | 1,100.00 | 350.00 |
| 1,450.00 | | |
| ADULT DUAL | 1,400.00 | 450.00 |
| 1,850.00 | | |
| BABY/CHILD | 800.00 | 300.00 |
| 1,100.00 | | |
| CREMATION | 1,000.00 | 350.00 |
| 1,350.00 | | |

VAULTS/ LINERS: (includes tax & labor)

| | |
|--------------------|--------|
| VAULT | 820.00 |
| CHILD & JUNIOR | 400.00 |
| BABY/INFANT | 300.00 |
| VAULT LABOR CHARGE | 400.00 |

(for setting outside vault-
 Wilbur vaults will not be set by
 cemeteries-vault companies are
 required to show proof of liability
 and workers' comp insurance)

CREMATION NICHES

| | <u>DOUBLE</u> | <u>SINGLE</u> |
|---|---------------|---------------|
| San Gorgonio | 2,800.00 | 1,500.00 |
| Niche dimensions 9x9x9x9 1/2" deep | | |
| Sunnyslope | 2,800.00 | 1,500.00 |
| Niche dimension 12x12x12" | | |
| Mt. View | 2,800.00 | 1,500.00 |
| Niche dimensions: 9x9x9x9 1/2" deep | | |
| Fountain Niche dimensions: 11x11x11x11" | | |

DISPOSITION OF ASHES: (Banning)

| | |
|-------|--------|
| ADULT | 400.00 |
| BABY | 250.00 |

FEE FOR SATURDAY, SUNDAY AND HOLIDAY SERVICE

(Scheduled only if cemetery staff are available)
 REGULAR: 800.00 CREMAINS: 500.00

DISINTERMENT OF FULL BURIAL: 5,000.00

DISINTERMENT

| | | |
|---------------------|---------------------|--------|
| OF CREMAINS: | IN GROUND | 700.00 |
| | NICHE | 500.00 |
| | SHUTTER REPLACEMENT | 350.00 |

NON RESIDENT FEE:

ADULT, BABY, CHILD CREMATION 400.00

OPENING/CLOSING:

| | |
|---------------------|--------|
| REGULAR DEPTH | 700.00 |
| LOWER DEPTH | 850.00 |
| CHILD & JUNIOR | 500.00 |
| BABY/INFANT | 300.00 |
| CREMATION | 500.00 |
| BABY CREMATION | 250.00 |
| CREM/EXISTING GRAVE | 625.00 |

MARKER SETTING FEE:

| | |
|--------------------------|--------|
| SINGLE, SGL/DUAL (12X24) | 175.00 |
| CHILD & JUNIOR (8X16) | 175.00 |
| BABY/INFANT (8X16) | 175.00 |

-All markers must have a 3" concrete border on all side
 -Beveled edge or (LMP) markers allowed (18x30)
 -No charge to set Veteran marker, but border required

MARKER REMOVAL/REPLACEMENT:

| | |
|------------------|--------|
| Flat Marker | 175.00 |
| Upright Monument | 800.00 |

MEMORIAL ENGRAVING: 200.00

VASE: Bronze 70.00
NICHE BUD VASE: 35.00

SELECT UPRIGHT MONUMENT GRAVES:

| | <u>GRAVE</u> | <u>END</u> | <u>TOTAL</u> |
|--------------|--------------|------------|--------------|
| Adult Single | 1,600.00 | 500.00 | 2,100.00 |
| Adult Dual | 2,000.00 | 600.00 | 2,600.00 |

FOUNDATION & SETTING FEE FOR UPRIGHT

MONUMENTS (Before Jan 1, 1999): 800.00
 (Price includes Hickey monuments)

OVERSIZED (SINGLES ONLY)

Opening/Closing: 1,020.00
(#7 liner only)
#7 Liner: 1,040.00
(\$250.00 delivery charge may apply)

**LOT TRANSFERS WILL BE SUBJECT TO A
FEE OF \$100.00. THE ENDOWMENT CARE
FUND DEPOSIT IS NOT REFUNDABLE.**

Adopted by the Board of Trustees of Summit Cemetery District,
effective September 1, 2024

Cost Avoidance Programs

SCD reports that they have no formal cost avoidance programs in place at this time. Due to the nature of the limited services provided by the District, there is very little ability for the District to implement cost avoidance programs on any significant level. The District does note that they do strive to conservatively manage the utilities. The District's financial status is generally sound, the operations of the District are appropriately managed for the services performed.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are fourteen Disadvantaged Unincorporated Communities related to the City of Banning and the unincorporated communities of Cherry Valley, Cabazon and North Palm Spring within SCD's boundaries and SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for SCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to SCD at this time:

Maintain the status quo.

SCD's government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District's current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission's consideration:

1) *Growth and Population Projections*

- SCD currently serves an estimated population of approximately 120,000 over a geographical area of approximately 286.3 square miles. The District encompasses the Cities of Banning, Beaumont and Calimesa, and the unincorporated communities of Cabazon and Cherry Valley and east to North Palm Springs, and west to County Line Road in Calimesa.
- SCD's service area has significant potential for growth most notably within the unincorporated areas in and adjacent to each city and within the District.
- Although SCD does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.
- Most growth is likely to occur within each city's boundaries with some in adjacent areas within each city's SOIs.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the District's SOI.*

- There are fourteen Disadvantaged Unincorporated Communities related to the City of Banning and the unincorporated communities of Cherry Valley, Cabazon and North Palm Spring within SCD's boundaries and SOI.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- The SCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any capacity or service constraints currently, and is fully capable of providing adequate services to the current District boundaries.
- SCD has the present capacity to provide services within the District and capacity to support future growth area with no apparent difficulty nor constraints.

- There are no deficiencies related to the fourteen DUCs identified within or near SCD's SOI.

4) *Financial Ability of the District to Provide Services*

- Currently, SCD has the financial ability to provide the current level of services provided.
- SCD operates effectively and efficiently as possible with limited staff to minimize administrative overhead costs.
- Sufficient revenues and ability to set charges for services commensurate with costs of services allows SCD to maintain financial stability.
- The Endowment Permanent Fund and the PreNeed Funds maintain substantial revenues for long term stability in cemetery longevity.

5) *Status of, Opportunities for Shared Facilities*

- There is no foreseeable opportunity for shared facilities as SCD only provides cemetery services and only maintains office buildings with no other structures. Primary infrastructure is limited to the cemetery grounds.

6) *Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.*

- SCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 10 personnel as identified on the latest available State Controllers Compensation website.
- Service needs are being met by SCD without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- SCD primarily conducts outreach via its website, Board of Trustee meetings and direct interface with customers.
- No direct email contact information is listed for Board of Trustee members, and no staff reports are provided with the agendas that are posted on SCD's website. Audit and Budget information is not available on the District's website, Other relevant documents including cemetery rules and regulations and the current fee schedule are available on the website.
- No alternative government structure options are considered superior to the current structure at this time.

7) Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

SCD's sphere of influence is generally coterminous with its current service boundary however extends into three large areas west, south, and southeast of the City of Beaumont.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Based on the geographic and jurisdictional boundary considerations, no additional potential expansion of SJVCD's SOI have been identified. Additionally, there are two areas of overlapping SOIs with adjacent cemetery district jurisdictional boundaries that require adjustment as follows:

One area within the SCD's SOI just south of the City of Beaumont is currently in the San Jacinto Valley Cemetery District (SJVCD) jurisdictional boundary. This area should be removed from SCD's SOI. Staff recommends approval of this adjustment.

One area within the SCD jurisdictional boundary at the southeast corner of the District is included in the SOI for Palm Springs Cemetery District (PSCD). This area should be removed from the PSCD's SOI. Staff recommends approval of this adjustment.

Sphere of Influence Options

One option is identified with respect to SCD's SOI.

Option #1:

The Commission may desire to maintain SCD's current SOI with the following two adjustments:

- a. Remove the area within SCD's SOI just south of the City of Beaumont that is currently in the San Jacinto Valley Cemetery District (SJVCD) jurisdictional boundary.
- b. Remove the area within the Palm Springs Cemetery District (PSCD) that is within the southeast corner of SCD's jurisdictional boundary.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

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

- SCD is not an authorized land use planning authority. The Cities of Calimesa, Banning and Beaumont and the County of Riverside are responsible for land use planning within their respective jurisdictions.
- Current land use and zoning is a mix of urban development and a rural mix.
- It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the area.

2) *The present and probable need for public facilities and services in the area.*

- Current services are considered adequate to support the area, including support of future growth within the current SCD jurisdictional boundaries and SOI.
- Expansion of services will require sufficient revenues to support the cost of any service expansion.

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

- Sufficient capacity of current facilities exists to support providing adequate public services authorized and being provided.
- There are no areas within the District jurisdictional boundaries that pose difficulty in providing services.

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.*

- There are no specific socio or economic "communities of interest" within the SCD jurisdictional boundaries that require special attention.
- There are several low income and disadvantaged areas scattered throughout the cities and unincorporated areas within the SCD boundaries, and are serviced by the District.

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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.***

- There are fourteen Disadvantaged Unincorporated Communities related to the City of Banning and the unincorporated communities of Cherry Valley, Cabazon and North Palm Spring within SCD's boundaries and SOI.
- The District does not provide water, wastewater nor fire protection services.

Chapter 8- Temecula Public Cemetery District

OVERVIEW / BACKGROUND

The Temecula Public Cemetery District (TPCD or District) was officially formed in 1929 as a special district in accordance with the State of California Health & Safety Code, and currently operates under Health & Safety Code section 9000 et. seq. Prior to that time, the cemetery operated as a privately owned public cemetery since 1884 and managed by volunteers (See below for more historical information).

The District encompasses approximately 57,306 acres (89.5 sq. mi.) including the City of Temecula and large unincorporated areas east of the city along Rancho California Road. Population served is estimated by the District at approximately 112,382 in 2023. TPCD operates a developed 7-acre cemetery site providing burial facilities for all residents within the District boundaries. The District owns an additional 52 acres on Rancho California Road and East Benton which is available for future use when needed.

Historical Information (TPCD Website)

“It was 1884 when Mercedes Pujol, widow of Domingo Pujol, arrived from Spain to Temecula to settle her late husband's estate. At that time Ms. Pujol donated a small parcel of land with the intentions of it being used for public burial grounds. During that time the Cemetery was cared for by volunteers of deceased loved ones. In 1929 the Temecula Public Cemetery became part of the new California Special Districts. It was then that the Cemetery Board of Trustees were appointed by the Riverside County Board of Supervisors. Today the Cemetery District has 5 Trustees that volunteer their time for the District.”

“The Trustees and Staff take great pride in the history of the Temecula Cemetery and it is the intent of the Board of Trustees to maintain this cemetery financially and visually well into perpetuity.”

TPCD does not provide services to residents outside of its service boundary. TPCD's existing sphere of influence is mostly coterminous with its boundaries with the exception of a large area to the north of the City of Temecula and adjacent to the City of Murrieta.

Mission Statement:

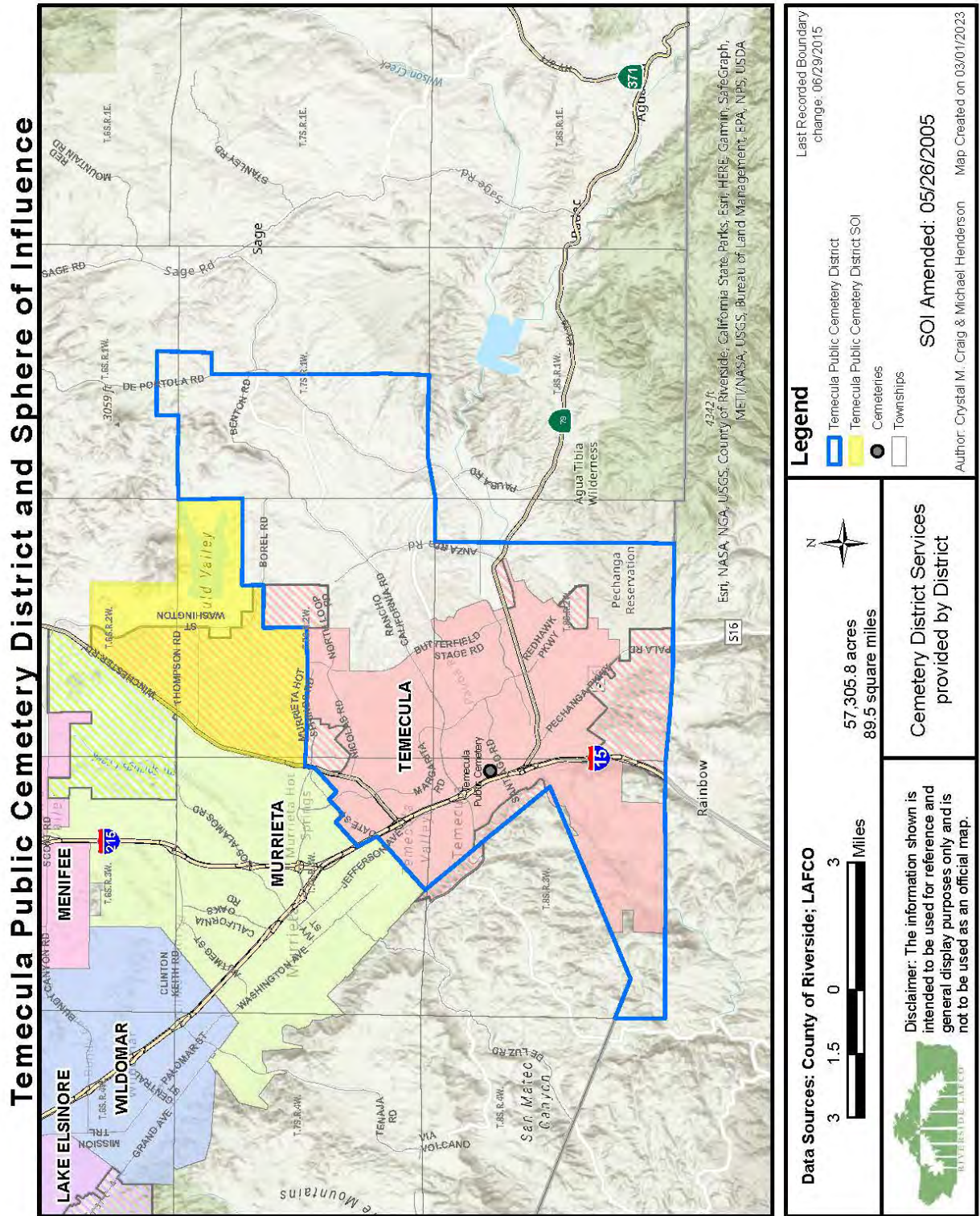
“It is the mission of the Temecula Public Cemetery District with the utmost dignity, care and compassion, to provide the highest standards and affordability in burial and cremation services for the families of the deceased.”

On the following pages, **Table 8-1** provides a snapshot profile of TPCD, and **Figure 8-1** provides a map of the District's current boundary and SOI.

Table 8-1- Profile – Temecula Public Cemetery District

| General Information | | | |
|--|---|-----------------------------------|-----------------------|
| Agency Type | Municipal – Public Cemetery District | | |
| Principal Act | California Health & Safety Code Section 9000 et. seq. | | |
| Date Formed | 1929 | | |
| Services Provided | Casket Burials, Cremation, Graveside & Committal Services | | |
| Location | Cemetery & Facility location: 41911 C Street, Temecula CA 92592, (951) 699-1630 | | |
| Sq. Miles/Acres | Approximately 57,805.8 Acres (89.5 sq. miles) service area. Cemetery – 59 acres | | |
| Contact | Cindi Beudet, General Manager cindi@temeculacemetery.org | | |
| Website | www.temeculacemetery.org | | |
| Population Served | Estimated 112,382 | | |
| Last SOI Update | 2005 | | |
| Governance/Staffing | | | |
| Governing Body | 5-member Board of Trustees, appointed by the Riverside County Board of Supervisors | | |
| Terms | 4-year staggered terms | | |
| Meeting Information | 3rd Thursday of the Month (except December) at 8:00am at the Cemetery Office, 41911 C Street, Temecula CA 92592 | | |
| Total Staff | Approximately 6 employees (augmented with contract Counsel) | | |
| Staff Categories | General Manager, Admin Support, Groundskeepers | | |
| Facilities/Other Infrastructure | | | |
| Facilities | District Facility | | |
| Other Infrastructure | 7 acre developed cemetery, 52 acres available for future use | | |
| Financial Information- FY 22/23 Actuals (Audited Financial Statements) | | | |
| | Revenues | Expenditures | Net Surplus/(Deficit) |
| General Fund | \$1,307,809 | \$1,529,610 | (\$221,801) |
| Capital Fund | \$930,011 | \$1,009,165 | (\$79,154) |
| Endowment Fund | \$95,245 | \$97 | \$95,148 |
| Combined Funds | \$2,333,065 | \$2,538,872 | (\$205,807) |
| | FY 22/23 | Long Term Planned Expenditures | |
| Capital Expenditures | \$1,009,165 | None identified. | |
| General Fund Balance | \$1,584,501 | June 30, 2023 Financial Statement | |
| Capital Fund Balance | \$2,115,591 | June 30, 2023 Financial Statement | |
| Endowment Fund Balance | \$3,472,221 | June 30, 2023 Financial Statement | |
| Unrestricted Net Assets | \$3,677,405 | June 30, 2023 Financial Statement | |
| Capital Assets (Net) | \$4,920,930 | June 30, 2023 Financial Statement | |
| Net Position (Combined) | \$12,070,556 | June 30, 2023 Financial Statement | |
| Debt & Unfunded Pension/OPEB Liabilities- Year Ending June 30, 2023 | | | |
| Long Term Debt | TPCD has no long-term bond or secured debt | | |
| Unfunded Pension Liability | TPCD has no unfunded pension liability. | | |
| Unfunded OPEB Liability | TPCD has no unfunded OPEB liability | | |
| Notes | | | |

Figure 8-1- Boundary/SOI Map – Temecula Public Cemetery District



GROWTH AND POPULATION PROJECTIONS

TPCD currently serves an estimated population of approximately 112,382 over a geographical area of approximately 89.5 square miles. The District encompasses the City of Temecula, and a large unincorporated area primarily rural in nature and includes various low income and subsidized housing developments. The District's service area has significant potential for growth most notably within the unincorporated areas in and adjacent to the District. The District has requested consideration be given to extending the District's SOI into portions of Winchester and French Valley, portions of De Luz, and portions of Anza and Aquanga, and areas in between.

Although the District does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that cemetery services and facility requirements will see increased demands proportionate with population growth.

The Calif Department of Finance has projected 14.7% overall growth in Riverside County's population over the next 25 years. Within the District, the Southern California Association of Governments (SCAG) projects the City of Temecula's population to increase by 18.1% over the next 20 years, with relatively light population growth in the surrounding unincorporated areas. The District projects growth most likely will occur along Rancho California Road, the crossroads of East Benton and Camino Del Vino, and French Valley.

ACCOUNTABILITY AND GOVERNANCE

Governance

TPCD is governed by a five-member Board of Trustees appointed by the Riverside County Board of Supervisors to four-year staggered terms. The TPCD Board of Trustees meets every 3rd Thursday of the month (except December) at 8:00am at the District Cemetery Office, located at 41911 C St. Temecula, CA 92592. The District's Board of Trustees consists of a Chair, Vice Chair, and three Trustees. There are no current vacancies on the Board of Trustees. All ethics and Form 700 filings are current.

| TPCD Board of Trustees | Term Expires |
|-------------------------------|---------------------|
| Craig Davis | 2029 |
| Mike Dugan | 2026 |
| Rosie Vanderhaak | 2026 |
| Patricia Kelleher | 2027 |
| Dale Qualm | 2028 |

The District utilizes several committees as required for specified areas of focus- 52-acre Cemetery Property, Landscape Plan, Cenotaph/Ossuary, Conference Liaison, Polices, General Price List, and Investments.

Website Transparency

In general, the TPCD website is well organized and hosts a wide variety of information regarding the cemetery services provided by the District. Information provided includes announcements for any special event that may occur at the cemetery, and a very detailed listing of the fees charged for the various burial options available for selection. The calendar on the website identifies the schedule of services being provided for interments.

Meeting agendas are posted on the District's website, inclusive of backup information Board approved minutes are also posted after approved. The website does not contain direct email addresses to contact Board of Trustees members for direct access. Contact for the Trustees is through the main email listed on the website.

Direct email addresses for the General Manager and key staff are available on the website. All general email contact is through the District email which is included on the website. Pertinent financial information for the District including budgets and annual audits, and links to the State Controller's portal for compensation information and required financial reporting are available on the website.

Customer/Constituency Communication

The District informs constituents, patrons, and customers of activities and services primarily through their website. The uniqueness of the services provided generally does not engrain itself to normal public communication venues. Cemetery staff provides virtually all necessary contacts with constituents and patrons.

Board members periodically attend different community meetings and events to represent the District. All Board of Trustees meeting notices are posted 72 hours prior to the meeting. The District website provides updates via a community newsletter, and advertises District sponsored special events, most notably Veterans recognitions.

Customer/Constituency Accountability

The District is proactive in its efforts for ensuring the patrons and customers have access to all information relevant to the facilities and services provided. Staff is the initial and primary contact with all patrons. Due to the nature of the services provided, quality of staff interactions with the patrons is paramount. The District reports that they did have complaints during the Covid-19 period, but those were related to expectations of the Governor. The District did not report any complaints related to cemetery services provided.

Complaints can be received by email, letter, website, text message or phone call to the General Manager. If a complaint cannot be resolved by the General Manager, the constituent is requested to attend an open Board meeting, present their issue, and then place it on the following agenda for discussion. The Board Chair will notify the family members with the Board decision. Complaints are tracked by the General Manager and are presented at a scheduled Board meeting and becomes part of the meeting minutes.

The District performs annual employee evaluations for all District staff and management. Evaluations are performed by the General Manager for staff and the Board of Trustees for the General Manager.

SERVICES – FACILITIES- INFRASTRUCTURE

Service Overview

TPCD currently provides cemetery burial and cremation niches for all residents/property owners paying taxes to the District within its boundaries. A key aspect of the services provided include maintenance of the cemetery grounds and facilities. This is a critical component of the cemetery operation due to the nature of the long-term interment services the cemetery provides. Some specific services include:

| | |
|--------------------|--------------------|
| Casket Burials | Cremation Burials |
| Ossuary | Cenotaph |
| Graveside Services | Committal Services |
| Memorial Markers | Memorial Benches |

The only two things the District cannot provide as a Special District are the sale of head stones and the erection of mausoleums. This has not hindered the District. A full listing of all services is available on the District website. Additionally, the District only contracts for annual audit services and legal counsel as needed. The District does not provide contract services to other agencies.

Facilities/Infrastructure

The TPCD District Office and cemetery are located at 41911 C Street, Temecula CA 92592, The cemetery includes 7 acres of developed cemetery property and an additional 52 acres of undeveloped land for future use when needed. At this time, there are no other facility, land or other infrastructure owned or maintained by the District.

At present, the cemetery on C street is becoming depleted of burial locations, and the District's 52 acres located in wine country is slated to be developed into a second cemetery. The first phase of development in the new cemetery location is scheduled for completion in 2029 according to information on the District website.

In 2012 a 5-year renovation of the cemetery was funded. These renovations included new landscaping, removal of old landscaping, removal of old benches, chairs, neglected shrubs and or memorabilia. Some of the new additions seen at the cemetery are granite benches and private Family Estates located on the southeast corner. Along the northern wall there are 67 in ground cremation lots with mahogany granite upright markers. The newest addition to the cemetery is the Ossuary, a low-cost complete cremation burial service.

Service Adequacy

The TPCD has provided the services it has intended to provide with no significant issues since its establishment. However, the District reports it is running out of space quickly and notes that they are in process of developing a portion of the additional vacant land they possess. The District does have some noted capacity constraints at this time, however is fully capable of providing adequate services to the current District boundaries. The District did curtail services to non-residents in 2021 due to capacity issues.

The District reports that they have the present capacity to provide services within the District and capacity to support future growth areas in and outside the current District boundaries with no difficulty nor constraints once the new cemetery phased construction is well along. There are no other service providers in the District that would constitute a duplication of services.

The District reports that they measure adequacy of the services provided through a Critique Letter sent to all customers at the close of each month. The District considers that the best evaluation of their services they can obtain. The District notes that it tracks specific staff workload through timecards and their payroll service. Additionally, although there are no private cemeteries within the District boundaries, the District tracks services and fees of various private cemeteries to ensure the District remains competitive.

Long-term objectives and goals are established through strategic planning conducted by the General Manager and the Board of Trustees. The District that they conduct a projected forecast of the cemetery grounds yearly. The District notes that it had 8 years of inventory before covid hit. This has created a reduction to approximately 5 years, and the District has been working to get the second cemetery up and operational.

The following statistical information has been provided by the District as of Sept 2023:

- Spaces filled each year on average- 90-140 (per year average last 3 years- Casket Burials- Single- 105, Casket Burials- Dual- 87, Ground Cremations- 6, Niches- 30)
- Dual Graves available- 623
- Single Graves available- 96
- Niches- 85
- Ground Cremations- 93
- Plots occupied- 31,704.
- Niches occupied- 603.
- Capacity of District owned undeveloped land-
- Crypt Vaults- 1,850 per acre
- Niches- variable, could be 5,000 if planned accordingly

Facilities/Infrastructure Needs

TPCD indicates that there are immediate interment facility needs at this time and is in process of addressing those needs. As noted previously, the cemetery on C street is

becoming depleted of burial locations, and the District's 52 acres located in wine country is slated to be developed into a second cemetery. The first phase of development in the new cemetery location is scheduled for completion in 2029 according to information on the District website.

There are no presently noted financial constraints under which the District operates for capital projects at this time. The District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District has been funding the additional facility through the Capital Fund, as well as any necessary equipment replacements.

Cooperative Programs

TPCD does not participate in cooperative programs and other cooperative endeavors with other agencies or organizations, nor does it participate in regional plans and programs. However, the District does work specifically with veterans' organizations for special events that occur on an annual basis. TPCD is a member of one Joint Powers Authority, the Special District Risk Management Authority.

FINANCIAL OVERVIEW

TPCD carries all operational budgeting and accounting in three funds, the General Fund the Capital Fund and the Endowment Permanent Perpetual Care Fund (Endowment Fund). The General Fund carries all administrative and operational expenditures not covered by the other funds. The Capital Fund carries larger capital projects related to acquisition and/or construction of capital facilities. The Endowment Fund includes funds earmarked for care of the cemeteries as required under Health & Safety Code section 9065. The three combined funds comprise the "Governmental Funds" as reported in the annual audit documents.

The District conducts an independent audit annually, the last three years reflecting an "unmodified" opinion, and provides all required reporting to the State Controller's Office as required by statutes. The auditors noted that the District made minor adjustments to the FY 20/21 financial statements which were reflected in the FY 21/22 statements.

As of FY 22/23 has no debt nor any unfunded pension or OPEB liability, and no other long-term liabilities. For the period of fiscal years FY 17/18 – FY 22/23 the Endowment Fund received \$683,789 in revenue.

The financial performance of the District as a whole is reflected in its governmental funds as well. The District completed FY 22/23 with its governmental funds reporting a combined fund balance of \$7,172,313, which is below the previous year's ending fund balance of \$7,378,124. The primary driver of the decreased fund balance is due primarily to the \$1,009,165 in capital outlay expenditures during the fiscal year.

Table 8-2 following, provides a snapshot of key financial data from the last three fiscal years. An analysis of the data related to several key financial status and financial health indicators follows.

Table 8-2- Financial Information- Temecula Public Cemetery District

| Financial Information (Actuals- Audited Financial Statements) | | | |
|--|-----------------|-----------------|-----------------|
| | FY 22/23 | FY 21/22 | FY 20/21 |
| General Fund Revenues/Transfers | \$1,307,805 | \$1,153,830 | \$1,008,014 |
| General Fund Expenditures/Transfers | \$1,529,610 | \$563,692 | \$1,577,668 |
| General Fund Surplus/(Deficit) | (\$221,805) | \$590,138 | (\$569,654) |
| Capital Fund Revenues/Transfers | \$930,011 | (\$34,818) | \$1,055,616 |
| Capital Fund Expenditures/Transfers | \$1,009,165 | \$700,785 | \$0 |
| Capital Fund Surplus/(Deficit) | (\$79,154) | (\$735,603) | \$1,055,616 |
| Endowment Fund Revenues/Transfers | \$95,245 | (\$37,422) | \$195,003 |
| Endowment Fund Expenditures/Transfers | \$97 | \$175 | \$0 |
| Endowment Fund Surplus/(Deficit) | \$95,148 | (\$37,597) | \$195,003 |
| Capital Outlay | \$1,009,165 | \$700,785 | \$35,465 |
| Debt Service Expenditures | N/A | N/A | N/A |
| Long Term Liabilities | N/A | N/A | N/A |
| Unrestricted Net Assets (Reserve) | \$3,677,405 | \$3,993,914 | \$4,135,065 |
| Restricted Net Assets (Reserve) | \$3,472,221 | \$3,377,073 | \$3,414,670 |
| Capital Assets (Net of Depreciation) | \$4,920,930 | \$3,959,902 | \$3,309,357 |
| Unfunded Pension Liability | N/A | N/A | N/A |
| Unfunded OPEB Liability | N/A | N/A | \$46,000 |
| Net Position | \$12,070,556 | \$11,330,889 | \$10,892,419 |
| Note- Several minor restatements were made to the FY 20/21 Financial Statements for the FY 21/22 Financial Statements | | | |

There are nine primary areas of criteria that have been utilized for this report to assess the present and future financial condition of any Special District's ability to provide efficient service operations as discussed below:

1. 3-Year Revenue/Expenditure Budget Trends
2. Ratios of Revenue Sources
3. Ratios of Reserves or Fund Balance to Annual Expenditures
4. Annual Debt Service Expenditures to Total Annual Expenditures
5. Net Position
6. Pension and OPEB Unfunded Liabilities
7. Capital Assets and Capital Improvement Plan
8. Fee Structure for Services Provided
9. Cost Avoidance Programs

3 Year Revenue/Expenditure Budget Trends

A trend analysis of revenues and expenditures provides a relatively quick snapshot of financial stability, and financial management of budgetary ebbs and flows over a short period of time.

For TPCD, the General Fund revenue trend has been upward over the three years reviewed. The expenditure trend has fluctuated over the three fiscal years. The General Fund overall has reflected deficits and surpluses over the three-year period. The Capital Fund also exhibits fluctuations up or down in revenues and expenditures over the last three fiscal years. The Endowment Fund reflects similar characteristics with FY 22/23 a year end surplus.

These trends appear to represent a slow and steady growth scenario that when factoring in rising costs, could may ultimately reflect in degradation of services. However, this is not necessarily the case. Due to the nature of the statutory structuring of the cemetery districts requiring long term endowments for maintaining the facilities, and the ability to charge for services and an endowment fee for this purpose, managing just administrative and some operational costs in the General Fund becomes less problematic.

Ratios of Revenue Sources

Diversity of revenues is an indicator of any public agency’s ability to withstand a major loss in one revenue stream without a significant impact to operations and services. Ideally, an agency should have 3-4 revenue streams that are as equally balanced as possible, however, that isn’t always possible in some agencies.

TPCD in FY 22/23 received approximately 4% of its overall revenues from payments into the Endowment Fund. The General Fund received approximately 73% of its revenue from property taxes (includes redevelopment pass-through), 24% from charges for services, and the remainder from miscellaneous sources. The Capital Fund received a minimal amount for the fiscal year.

Since the District’s revenue stream for the General Fund is not diversified to any extent, and the Endowment Fund is restricted revenue, alternative sources of additional revenue for the General Fund would be ideal for absorbing a significant decrease in any one revenue source that is heavily reliant on for service provision. However, due to the nature of the services provided, alternative revenue sources are not readily available to the District to allow for further diversification.

Ratio of Reserves or Fund Balance to Annual Expenditures

An indicator of the ability to absorb an unexpected loss of revenue in a given fiscal year is exhibited by the amount of unrestricted cash reserve or fund balance the service fund maintains in relation to the annual fund expenditures. A ratio of 30% or greater of fund

balance/reserve to annual expenditures is generally considered an adequate ratio to maintain.

TPCD's General Fund unassigned fund balance of \$1,376,816 for FY 22/23 is approximately 90% of expenditures for the year. The District's Endowment Fund restricted fund balance of \$3,472,221 for FY 22/23 is approximately 3,580% of the FY 22/23 expenditures from this fund. These fund balance ratios fall well within the criteria for adequacy, and this annual trend has been steady over the three fiscal years listed.

Annual Debt Service Expenditures to Total Annual Expenditures

The ratio of annual debt service to total fund annual expenditures is an indicator of the District's ability to meet debt obligations in relation to service provision expenditures. Ideally, a ratio of 10% or less would reflect a very stable ratio.

TPCD has no bond or other secured debt, nor pension or OPEB unfunded liability, therefore no ratio to assess, which in turn is a positive aspect to overall financial stability.

Net Position

An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position generally provides an indicator of financial soundness over the long-term. However, Net Position also includes the value of capital assets that may or may not be easily liquidated. Therefore, Net Position could potentially be skewed when viewing it in the aspect of liquidity.

TPCD's FY 22/23 ending net position was calculated by the auditors at \$12,070,556 with \$3,677,405 identified as unrestricted. As compared to annual revenues and expenditures, this is a significant amount of net position, indicating stability with its ongoing governmental activities for the foreseeable future. However, it should be noted that a significant amount of Net Position includes Capital Assets which is mostly cemetery grounds that most likely would never be liquidated.

The annual net position over the listed three fiscal years does show an increasing trend annually which is a positive indicator for the District. It should be noted that the unrestricted net assets and the Endowment Fund restricted net assets are significantly positive offset, and reflect long term stability of the District.

Pension and OPEB Unfunded Liabilities

Unfunded pension and OPEB liabilities present one of the most serious fiscal challenges facing many public agencies in California today. When reporting required under Government Accounting Standards Board (GASB) Statement #68 was implemented,

many public agencies were awakened by the reality of the long-term unfunded liability aspect of their respective pension and OPEB obligations.

TPCD does not have any pension nor OPEB unfunded liability as of June 30, 2023 as per the most recent audit report for the fiscal year ending June 30, 2023. This is very good for the District, and given the fact that only six employees serve the District, any potential for future unfunded liabilities most likely will be minimal.

Capital Assets and Capital Improvement Program

Capital assets must be adequately maintained and replaced over time and expanded as needed to accommodate future demand and respond to regulatory and technological changes. Depreciation typically spreads the life of a facility over time to calculate a depreciation amount for accounting purposes. The actual timing and amount of annual capital investments require detailed engineering analysis and will differ from the annual depreciation amount, although depreciation is a useful initial indicator of sustainable capital expenditures.

TPCD's capital assets include primarily the office facility, equipment, and the cemetery land not all of which are subject to depreciation. As of June 30, 2023 the District had \$5,608,225 in capital assets and \$687,295 in accumulated depreciation, resulting in \$4,920,930 net capital assets.

As previously noted, the District does not utilize a formal Capital Improvement Program as it is not necessarily warranted for the infrastructure necessary for the services provided. The District, however does maintain a Capital Fund for any potential needs, including equipment replacements. The Capital Projects Fund reflected a total fund balance of \$2,115,591 for FY 22/23.

The District is anticipating continued funding additional facilities as necessary to support the phased development of the 50 acres of undeveloped cemetery property noted previously. The District noted that they will be funding that property utilizing the Capital Fund, however, will consider obtaining a loan in the future for build-out. The District website notes that the new cemetery is slated for opening in 2029.

Fee Structure for Services Provided

Most public agencies charge fees for various direct benefit services provided. Fees are required to reflect the general overall cost of a specific service provided to individual constituents.

TPCD charges fees for all the individual services which are available, including all burial and other interment related fees, and the Endowment Care fees. As one of the primary sources of revenue for operating and maintaining the cemetery property, these fees are updated as necessary to ensure quality service is delivered while maintaining the lowest cost possible.

The following provides the TPCD fee schedule from the District website.

Temecula Public Cemetery District

GENERAL PRICE LIST FISCAL YEAR JULY 01, 2024-JUNE 30, 2025

| | | | |
|--|--|--------------------------|------------------------------|
| <u>Tranquil Gardens-Single Lot</u> | | \$ 3,200.00 | |
| Endowment | | <u>\$ 1,000.00</u> | |
| Total | | \$ 4,200.00 | |
| | | | |
| | <u>Duals</u> | <u>As Singles</u> | <u>Manager Choice</u> |
| <u>Garden of Peace -Dual Lot</u> | \$ 5,100.00 | \$ 3,000.00 | \$ 4,000.00 |
| Endowment per burial | <u>\$ 1,000.00</u> | <u>\$ 1,000.00</u> | <u>\$ 1,000.00</u> |
| Total | \$ 6,100.00 | \$ 4,000.00 | \$ 5,000.00 |
| Second Upper Lot - Duals | \$ 1,500.00 | | |
| | | | |
| <u>Garden of Memories-Dual Lot</u> | | \$ 5,700.00 | |
| Endowment per burial | | <u>\$ 1,000.00</u> | |
| Total | | \$ 6,700.00 | |
| | | | |
| <u>Ground Cremation Lot-Holds one Urn</u> | | \$ 1,200.00 | |
| Endowment | | <u>\$ 1,000.00</u> | |
| Total | | \$ 2,200.00 | |
| | | | |
| <u>At Need Charges</u> | | | |
| Open and Close with Preset Vault | | \$ 1,032.00 | |
| Open and Close- Lowering a Vault | | \$ 1,238.00 | |
| Concrete Vault | \$ 600.00 | | |
| Outside Vault Handling Fee | \$ 413.00 | | |
| Open and Close-Each Inurnment | \$ 516.00 | | |
| Marker Setting Fee& Removal | \$ 310.00 | | |
| Marker Disposal Fee | \$ 413.00 | | |
| In Ground Flower Vase | \$ 207.00 | | |
| Graveside Standing | \$ 310.00 | | |
| Canopy and 10 chairs | \$ 207.00 | | |
| Wall Inurnment gathering | | \$ 207.00 | |
| Non-Resident Fee (H & S Code #9060) | \$ 1,548.00 | | |
| Additional cremation endowment | \$ 516.00 | | |
| Additional burial endowment | \$ 1,000.00 | | |
| Committal Center- 1 Hour service -No Witness | | No Charge | |
| | | | |
| <u>In Ground Dual Cremation Lot</u> | | \$1,900.00 | |
| 1 st Endowment | | <u>\$1,000.00</u> | |
| | \$2,900.00 | | |
| | | | |
| <u>Columbarium Wall-Front</u> | <u>Each niche can hold two cremated remains</u> | | |
| Tier 1 | | \$ 2,000.00 | |
| Endowment per person | | <u>\$ 1,000.00</u> | |
| Total | | \$ 3,000.00 | |

| | |
|----------------------|--------------------|
| Tier 2 | \$ 1,900.00 |
| Endowment per person | \$ <u>1,000.00</u> |
| Total | \$ 2,900.00 |
| Tier 3 | \$ 1,800.00 |
| Endowment per person | \$ <u>1,000.00</u> |
| Total | \$ 2,800.00 |
| Tier 4 | \$ 1,700.00 |
| Endowment per person | \$ <u>1,000.00</u> |
| Total | \$ 2,700.00 |
| Tier 5 | \$ 1600.00 |
| Endowment per person | \$ <u>1,000.00</u> |
| Total | \$ 2,600.00 |

Additional Charges

| | |
|-------------------------------|-----------|
| Open and Close Niche | \$ 207.00 |
| Niche Engraving | \$ 258.00 |
| Large Columbarium Flower Vase | \$ 250.00 |
| Small Columbarium Flower Vase | \$ 250.00 |
| Hex Engraving & Setting Fee | \$ 250.00 |

Ossuary

| | |
|--------------|------------------|
| | \$ 400.00 |
| Endowment | \$ <u>400.00</u> |
| Total | \$ 800.00 |

Cremation Bench Lot

| | |
|----------------------|-------------|
| | \$ 900.00 |
| Endowment per person | \$ 516.00 |
| Bench Setting Fee | \$ 1,032.00 |
| Open and Close Bench | \$ 310.00 |

Cenotaph

| | |
|---|------------------|
| | \$ 400.00 |
| First & Last Name, Year to Year Inscription | |

| | | |
|--|--------------------|--|
| Casket Disinterment | \$ 2,000.00 | Permit Required-Mortuary must be present. |
| Casket Disinterment-W/Vault | \$ 6,000.00 | Permit Required-Mortuary must be present. |
| Cremation Disinterment- Niche | \$ 400.00 | Permit Required-Family member must be present. |
| Cremation Disinterment – Ground | \$ 700.00 | Permit Required-Family member must be present. |
| Cremation Disinterment – W/ Vault | \$ 500.00 | Permit Required-Family member must be present. |

Cost Avoidance Programs

Due to the nature of the limited services provided by the General Fund and the Capital Fund, there is very little ability for the District to implement cost avoidance programs on any significant level. The District's financial status is generally sound, and the operations

of the District are appropriately managed as best as practicable for the services performed. The District does note that one cost savings measure would be for several cemeteries to engage together is bulk purchasing and delivery of supplies, as well as sharing employees.

DISADVANTAGED UNINCORPORATED COMMUNITIES

There are no disadvantaged unincorporated communities within or contiguous to the TPCD's SOI.

STATUS OF ISSUES IDENTIFIED IN MOST RECENT MSR

There is no recent record of an MSR having been performed for TPCD. The last SOI update was performed in 2005.

GOVERNMENT STRUCTURE ALTERNATIVES

There is only one government structure alternative that would be applicable to TPCD at this time:

Maintain the status quo.

TPCD's government structure currently in place is sufficient to provide the appropriate governance structure for the District for the services provided. The District maintains a small staff, is efficient in delivery of services as possible and appears to be diligent in not overextending. Therefore, the District's current structure should be maintained.

RECOMMENDED MUNICIPAL SERVICE REVIEW DETERMINATIONS

Based on the information, issues, and analysis presented in this report, proposed MSR determinations pursuant to Government Code section 56430 are presented below for the LAFCO Commission's consideration:

1) *Growth and Population Projections*

- TPCD currently serves an estimated population of approximately 112,382 over a geographical area of approximately 89.5 square miles. The District encompasses the City of Temecula, and a large unincorporated area primarily rural in nature and includes various low income and subsidized housing developments.
- TPCD's service area has significant potential for growth most notably within the unincorporated areas in and adjacent to the City of Temecula and TPCD's SOI.

- Although TPCD does not retain any land use planning and entitlement authority as those functions are reserved the cities, and the county for unincorporated areas, the District must anticipate and forecast future demands. It is anticipated that the District will see increased requirements proportionate with population growth.
- Most growth is likely to occur within the City of Temecula boundaries with potentially substantial growth in adjacent areas within the district SOI.

2) *Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the Public Cemetery District's SOI.*

- There are no Disadvantaged Unincorporated Communities within or contiguous to TPCD's SOI.

3) *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies Related to Disadvantaged Unincorporated Communities*

- TPCD provides the services it has intended to provide with no significant issues since its establishment. The District does not have any capacity or service constraints at this time, and is fully capable of providing adequate services to the current District boundaries.
- TPCD has the present capacity to provide services within the District and capacity to support future growth area with no apparent difficulty nor constraints in the short term.
- TPCD is in the process of development of the additional 50 acres of cemetery property to support long term service capability.
- There are no DUCs identified within or near the District's SOI.

4) *Financial Ability of the Public Cemetery District to Provide Services*

- TPCD currently has the financial ability to provide the current level of services provided.
- TPCD operates effectively and efficiently as possible with limited staff to minimize administrative overhead costs.
- Sufficient revenues and ability to set charges for services commensurate with costs of services allows TPCD to maintain financial stability.
- The Endowment Fund maintains substantial revenues for long term stability in cemetery longevity.

5) Status of, Opportunities for Shared Facilities

- There is no foreseeable opportunity for shared facilities as TPCD only leases an office building with no other structures. Primary infrastructure is limited to roadways.
- TPCD notes that sharing of staff resources and bulk purchasing and delivery of supplies could be viable cost savings initiatives to implement.

6) Accountability for Community Service Needs, Including Governmental Structure, and Operational Efficiencies.

- TPCD is governed by a five-member Board of Trustees appointed by the Board of Supervisors. Staffing is limited to approximately 6 personnel.
- TPCD service needs are being met without significant issues. Operational efficiencies are optimized and customer accountability is being maintained at a sufficient level.
- TPCD primarily conducts outreach via its website, Board meetings and direct interface with customers.
- No direct email contact information is listed for Board of Trustee members, however direct email to key staff is listed. Backup information is provided with the agendas for items to be discussed and are posted on TPCD's website. Financial information and other relevant documents including the current fee schedule are available on the website.
- No alternative government structure options are considered superior to the current structure at this time.

7) Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy.

- No additional matters have been identified.

RECOMMENDED SPHERE OF INFLUENCE DETERMINATIONS

Existing Sphere of Influence

TPCD's existing sphere of influence is mostly coterminous with its boundaries with the exception of a large area to the north of the City of Temecula and adjacent to the City of Murrieta.

Sphere of Influence Analysis

One of LAFCO's objectives is to eliminate illogical boundaries and associated service inefficiencies, where these issues exist. Review of the current TPCD SOI, there are areas that may be considered for expansion of the District's SOI. Additionally, the District has requested consideration be given to extending the District's SOI into portions of Winchester and French Valley, portions of DeLuz, and potentially portions of Anza and Aquanga, with areas in between.

Staff concurs that these areas, currently not included within any cemetery district boundary would be well served for an SOI expansion and future annexation.

Sphere of Influence Options

One option is identified with respect to TPCD's SOI.

Option #1: Maintain the current SOI and recommend the District formally submit an application for an SOI expansion with the appropriate mapping denoting the specific boundaries of the proposed expanded SOI.

Sphere of Influence Determinations

Following are the five recommended determinations for the LAFCO Commission's consideration as required by Government Code section 56425(e):

- 1) ***The present and planned land uses in the area, including agricultural and open-space lands.***
 - TPCD is not an authorized land use planning authority. The City of Temecula and the County of Riverside are responsible for land use planning within their respective jurisdictions.
 - Current land use and zoning is a mix of urban development and a rural mix.
 - It is likely future land use decisions will mostly reflect a continued balance of urban/suburban development and maintaining the rural nature of the area.
- 2) ***The present and probable need for public facilities and services in the area.***
 - Current services are considered adequate to support the area, including support of future growth within the current TPCD jurisdictional boundaries and SOI.
 - Long term, there most likely will be a need for expansion of available land for providing sufficient interment sites to support future growth.

- Expansion of services will require sufficient revenues to support the cost of any service expansion.
- 3) ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.***
- Sufficient capacity of current facilities exists to support providing adequate public services authorized and being provided.
 - Long term services most likely will require additional land for interment services provided.
- 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.***
- There are no specific “communities of interest” within the TPCD jurisdictional boundaries that require special attention.
 - There are several low income and subsidized housing areas within the TPCD boundaries serviced by the District.
- 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, that occurs pursuant to subdivision(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.***
- There are no Disadvantaged Unincorporated Communities within or adjacent to the existing SOI.
 - The District does not provide water, wastewater nor fire protection services.

ACRONYMS

| | |
|---------|---|
| CalPERS | California Public Employees Retirement System |
| CEQA | California Environmental Quality Act |
| CIP | Capital Improvement Program |
| CKH | Cortese-Knox-Hertzberg Reorganization Act of 2000 |
| CSDA | California Special Districts Association |
| CVPCD | Coachella Valley Public Cemetery District |
| DUC | Disadvantaged Unincorporated Community |
| EVCD | Elsinore Valley Cemetery District |
| FPPC | Fair Political Practices Commission |
| FTE | Full-Time Equivalent |
| FY | Fiscal Year |
| GASB | Government Accounting Standards Board |
| GIS | Geographic Information Systems |
| JPA | Joint Powers Authority |
| LAFCO | Local Agency Formation Commission |
| LMD | Lighting/Landscape Maintenance District |
| MSR | Municipal Services Review |
| MVCD | Murrieta Valley Cemetery District |
| PSCD | Palm Springs Cemetery District |
| PVCD | Palo Verde Cemetery District |
| SDRMA | Special Districts Risk Management Authority |
| SJVCD | San Jacinto Valley Cemetery District |
| SCD | Summit Cemetery District |
| OPEB | Other Post-Employment Benefits |
| SCAG | Southern California Association of Governments |
| SOI | Sphere of Influence |
| TPCD | Temecula Public Cemetery District |