



Ventura  
Local Agency Formation Commission

# MUNICIPAL SERVICE REVIEW

Ventura County

## CEMETERY DISTRICTS

*Bardsdale Cemetery District*  
*El Rancho Simi Cemetery District*  
*Piru Public Cemetery District*

*Prepared By*

**Ventura Local Agency Formation Commission**  
800 South Victoria Avenue  
Ventura, California 93009-1850

Accepted by Ventura LAFCO  
May 16, 2007

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## I. EXECUTIVE SUMMARY

Public cemetery services in Ventura County are provided by the City of Ojai and by three public cemetery districts. This municipal service review (MSR) is for the three special districts – Bardsdale Cemetery District, El Rancho Simi Cemetery District and Piru Public Cemetery District. The municipal service review for the City of Ojai addresses the cemetery services provide by that City. All other cemetery services in the County are performed by private for profit or non-profit entities and are outside the scope of the municipal service review process.

Both the Bardsdale Cemetery District and the Piru Public Cemetery District were formed as public cemetery districts in 1914, making them the oldest existing special districts in Ventura County. The El Rancho Simi Cemetery District was formed as the Simi Valley Public Cemetery District in 1946. The District formally changed its name in 1995.

The three cemetery districts operate pursuant to Division 8 of the California Health and Safety Code relating to cemeteries and specifically pursuant to the Public Cemetery District Law (Health and Safety Code §9000 et seq.). Each is governed by a board of trustees appointed by the Ventura County Board of Supervisors to fixed, four-year terms of office. Based on how they are governed, the three cemetery districts in Ventura County are each independent special districts. Public cemetery districts are legally separate from the County and the board of trustees of each district is solely responsible for district operations.

The most significant determinations recommended to be adopted for each District are:

### **Bardsdale Cemetery District**

- The Bardsdale Cemetery District is financially stable.
- The Bardsdale Cemetery District has no near term infrastructure needs or other constraints that will impact future income.
- The Bardsdale Cemetery District has no debt.
- There are no governmental structure options that would be beneficial for the Bardsdale Cemetery District at this time.
- The Board of Supervisors should review the most recent appointments to the Bardsdale Cemetery District board of trustees to ensure that the terms of office of the appointments are in compliance with the Public Cemetery District Law.
- The Bardsdale Cemetery District board of trustees should have periodic reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission.
- The members of the Bardsdale Cemetery District board of trustees should each promptly file a current Statement of Economic Interests with the Clerk of the Board of Supervisors.

### **El Rancho Simi Cemetery District**

- Based on limited available information the El Rancho Simi Cemetery District has significant infrastructure needs or deficiencies, as the existing cemetery may be at capacity in less than 10 years.

- The El Rancho Simi Cemetery District owns a residence next to the cemetery. The residence and the land it occupies are an asset that should be maximized for future cemetery expansion, enhancing operations and/or increasing the cemetery's endowment fund.
- The El Rancho Simi Cemetery District, based on an audit for the five years ending June 30, 2005, has record keeping deficiencies and an uncertain financial status. The District is in potential default on a loan from the City of Simi Valley. The ability of the District to meet this loan obligation is unknown, but if the debt is not restructured the District could potentially be forced into bankruptcy. The District should take immediate steps to work with the City of Simi Valley about restructuring this loan.
- The El Rancho Simi Cemetery District does not have an acceptable financial methodology for tracking the availability and sale of cemetery plots. This lack of financial control potentially affects the veracity of the District's financial statements. The District should conduct a complete inventory of available capacity and then maintain perpetual inventory records based on future sales of cemetery plots.
- The El Rancho Simi Cemetery District is out of compliance with requirements to prepare an annual budget, annually adopt an appropriations limit and annually prepare comprehensive financial reports. The board of trustees needs to take proactive steps to meet these legal requirements.
- The El Rancho Simi Cemetery District should ensure that the District's financial statements are audited on an annual basis or should follow the process in the law to allow for a biennial audit.
- The El Rancho Simi Cemetery District should consider hiring, or contracting with, an administrative professional to assist the District in meeting financial mandates, meeting debt obligations and maximizing assets.
- If the El Rancho Simi Cemetery District is unable to prepare and adopt an annual budget and fully comply with financial reporting requirements, and/or if lack of income results in further impairment of the District's ability to properly operate as an independent unit of local government, all feasible governmental structure options should be considered by the District, the City of Simi Valley and the County.
- There are no legally feasible government structure options available at this time that would provide for the City of Simi Valley to assume the governance of the District, even if the City was willing to do so. However, based on approval by LAFCO, the District could change its boundaries to reduce the area within the District. Then the City of Simi Valley would potentially be able to assume governance of the District by the District becoming a subsidiary district of the City. The District board of trustees should work with the City of Simi Valley and LAFCO to fully explore and possibly implement this change in governance.
- The El Rancho Simi Cemetery District board of trustees should have periodic reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission.
- The members of the El Rancho Simi Cemetery District board of trustees should each promptly file a current Statement of Economic Interests with the Clerk of the Board of Supervisors.

### **Piru Public Cemetery District**

- Based on the limited available information the Piru Public Cemetery District has significant infrastructure needs, as the existing cemetery will be at capacity within five years.
- The Piru Public Cemetery District owns approximately 1.5 acres of vacant, hillside land adjacent to the cemetery that is an asset that should be maximized for future cemetery expansion,

enhancing operations and/or increasing the cemetery's endowment fund. However the District does not at this time have the financial capability or professional expertise necessary to maximize this asset.

- The Piru Public Cemetery District has a functional infrastructure deficiency in that the board of trustees relies on others for a regular meeting place.
- The Piru Public Cemetery District is not able to provide current financial information, but the financial status of the District appears critical.
- The Piru Public Cemetery District is out of compliance with requirements to prepare an annual budget, annually adopt an appropriations limit and have current financial reports.
- The Piru Public Cemetery District is out of compliance with requirements to prepare an audit for the five fiscal years ending June 30, 2003, however, the District does not have sufficient resources to pay for its last audit. The District has reported to the Ventura County Auditor-Controller its continuing efforts to obtain a pro-bono audit, but to date these efforts have been unsuccessful.
- The Piru Public Cemetery District has an outstanding debt to the County of Ventura of approximately \$8,120 for its last audit; however, the District may not be able to meet this obligation.
- The Piru Public Cemetery District does not have the financial resources necessary to maintain operations as an independent local governmental agency.
- The Piru Public Cemetery District relies on volunteers to perform administrative, maintenance, landscaping and burial related services. If volunteers were not available, the current limited functioning of the District would not be possible.
- The Board of Supervisors should follow the process in the Public Cemetery District Law to terminate the appointed District board of trustees and appoint itself as the board of trustees. If the Board of Supervisors takes over the governance of the District, the County will need to subsidize District operations, at least until it can be determined if the District's financial status can be improved.
- If the Board of Supervisors does not assume the governance of the District and if the County of Ventura is not willing or able to subsidize District operations in order to consider all opportunities for improving and stabilizing District income, LAFCo should initiate proceedings to dissolve the District.
- The terms of office for all members of the Piru Public Cemetery District board of trustees expired in January 2005.
- The Piru Public Cemetery District board of trustees meets on a regular basis, but the District relies on free meeting space being provided by others. It is doubtful that the trustees are able to comply with Brown Act requirements relating to meeting notification and the conduct of meetings.
- The Piru Public Cemetery District board of trustees should have periodic reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission.

This MSR also recommends that the spheres of influence for each of the three cemetery districts be reduced in area. For the Bardsdale and Piru Districts it is recommended that National Forest lands be removed from the sphere of influence of each District and, once this occurs, that each District consider detaching these areas. It should be noted, however, that the Piru Public Cemetery District is currently unable to undertake the procedural aspects of such a change of organization. It is also

recommended that the sphere of influence for the El Rancho Simi Cemetery District be reduced in area by removing the areas designated open space in the County General Plan and covered by the County SOAR ordinance to the north of the City of Simi Valley' sphere of influence. Once this occurs, it is recommended that the District analyze the impacts of detaching the same area, thus reducing the amount of undeveloped land in the District's boundary and allowing for future governmental options involving the City of Simi Valley to be considered.

## II. INTRODUCTION

Beginning in 2001 the Local Agency Formation Commission (LAFCo) in each county in the state was required to, as necessary, review and update the sphere of influence of each city and special district. No sphere of influence can be updated, however, unless the LAFCo first conducts a municipal service review. California Government Code §56430 provides that municipal service reviews (“service reviews” or “MSRs”) consist of written determinations relating to the following nine factors:

1. Infrastructure needs or deficiencies.
2. Growth and population projections for the affected area.
3. Financing constraints and opportunities.
4. Cost avoidance opportunities.
5. Opportunities for rate restructuring.
6. Opportunities for shared facilities.
7. Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.
8. Evaluation of management efficiencies.
9. Local accountability and governance.

It is important to note that municipal service reviews are:

- The written determinations adopted by a LAFCo for the services provided by cities and special districts. LAFCo service review reports are essentially only studies with recommended determinations for each of the nine factors.
- Not applicable to counties, except for special districts governed by a county board of supervisors, and are not applicable to private providers of public services, such as private water companies regulated by the state Public Utilities Commission. This is because service reviews are based on the preparation or update of spheres of influence and LAFCOs do not establish spheres of influence for counties or private service providers.
- Not investigations. While authorized to prepare studies relating to their role as boundary agencies, LAFCOs have no investigative authority.

As required by Government Code §56430, the Governor’s Office of Planning and Research (OPR) adopted advisory guidelines for municipal service reviews. Because of the timing of the issuance of the guidelines and widely varying local circumstances, each LAFCo in the state is following its own process and procedures for meeting the sphere of influence update and related municipal service review mandate.

The Ventura LAFCo’s municipal service review process is being completed in three phases based on a work plan that has been periodically updated and is available on the Ventura LAFCo web site ([www.ventura.lafco.ca.gov](http://www.ventura.lafco.ca.gov)). The process used to prepare all service review reports to date involved a four-part questionnaire that each affected agency was requested to complete. The first part collected general information about the agency (contact information, governing body, financial etc), the second part asked for service specific data, the third part included both questions and a map relating to boundary issues and the fourth part was a signature page. The questionnaire was the basis for most of

the information in the service review reports and was designed to ensure the efficient transfer of information into a database designed to serve as a base of information for future service reviews.

This MSR for the public cemetery districts in Ventura County completes the second phase of the work plan. It addresses the three public cemetery districts in Ventura County:

- Bardsdale Cemetery District
- El Rancho Simi Cemetery District
- Piru Public Cemetery District

In addition to these three public cemetery districts, the City of Ojai also operates a public cemetery. That service is addressed as a part of the service review for the City of Ojai.

There are also private cemeteries in Ventura County; however these do not fall under the purview of LAFCo and are therefore not addressed in this report. They are mentioned here for information only. Among the private cemeteries still operating are:

- Assumption Cemetery, Simi Valley
- Conejo Mountain Memorial Park & Funeral Home, Camarillo
- Ivy Lawn Memorial Park, Ventura
- Pierce Brothers Santa Paula Cemetery, Santa Paula
- Santa Clara Catholic Cemetery, Oxnard

This MSR has been the most difficult of the MSRs prepared to date due to the lack of information. The El Rancho Simi Cemetery District and the Piru Public Cemetery District were unable to complete the LAFCo questionnaire. Thus, for these two Districts information has been pieced together from publicly available sources and limited discussions with district trustees and staff. Because of the lack of information, release of this MSR was delayed for over a year so that the Ventura County Auditor-Controller could oversee the preparation of an audit for the El Rancho Simi Cemetery District. Information from this audit is included in this MSR, but other information, such a budget, is unavailable. The lack or unavailability of information is noted throughout this service review report and, as applicable, in the recommended determinations.

### **III. DISTRICT CEMETERY SERVICES**

#### **A. Background**

##### **General**

Public cemeteries in California are among the earliest and oldest public facilities in the state and were in existence prior to the enactment of the first public cemetery district law in 1909. Today, there are 253 public cemetery districts in California, including the three Districts in Ventura County.<sup>1</sup> Cemetery districts rank fourth in the total number of special districts in California, behind water districts, fire districts and community services districts.

Public cemetery districts are organized and have powers pursuant to Division 8 of the California Health and Safety Code relating to cemeteries and specifically pursuant to the Public Cemetery District Law (Health and Safety Code §9000 et seq.). This law was revised in its entirety and re-codified effective January 1, 2004. Included were new provisions relating to the appointment of trustees.

The Public Cemetery District Law provides broad statutory authority for public cemetery districts to own, improve, expand, and operate public cemeteries. The law provides for the formation of new cemetery districts, defines the selection, role and functioning of the cemetery district board of trustees, outlines the powers of the district, limits who may be interred in district cemeteries, requires cemetery districts to establish and maintain an endowment care fund for the long-term care of burial plots, sets forth requirements and authorities relating to district finances, including the ability to raise additional revenue, and provides for zones to be established within district boundaries for different levels of service.

Public cemetery districts are special districts that are legally separate from any other unit of local government. Each district's board of trustees is solely responsible for all aspects of district operations. Trustees, who must be registered voters within the district, are appointed by a county board of supervisors to fixed, four-year terms of office. Alternatively, a board of supervisors can appoint itself to be the board of trustees.

Unlike most special districts, cemetery districts do not hold monopoly service authority. Private cemeteries, both religious and secular, can and do compete with public cemeteries particularly in more urbanized areas. Therefore, existing cemetery districts face market pressures usually not associated with the delivery of most other government services. As a result, the formation of new public cemetery districts has been uncommon in the state for many years.

##### **Ventura County**

The Bardsdale Cemetery District serves the City of Fillmore and surrounding area. The Bardsdale Cemetery Association was formed in 1895 and operated as an association until 1914 when it became a public cemetery district. The District owns and operates a cemetery located in Bardsdale at 1698 South Sespe Street. The cemetery and related District owned property is approximately 14.4 acres in size. The District provides burial and related services to residents and property owners in the District

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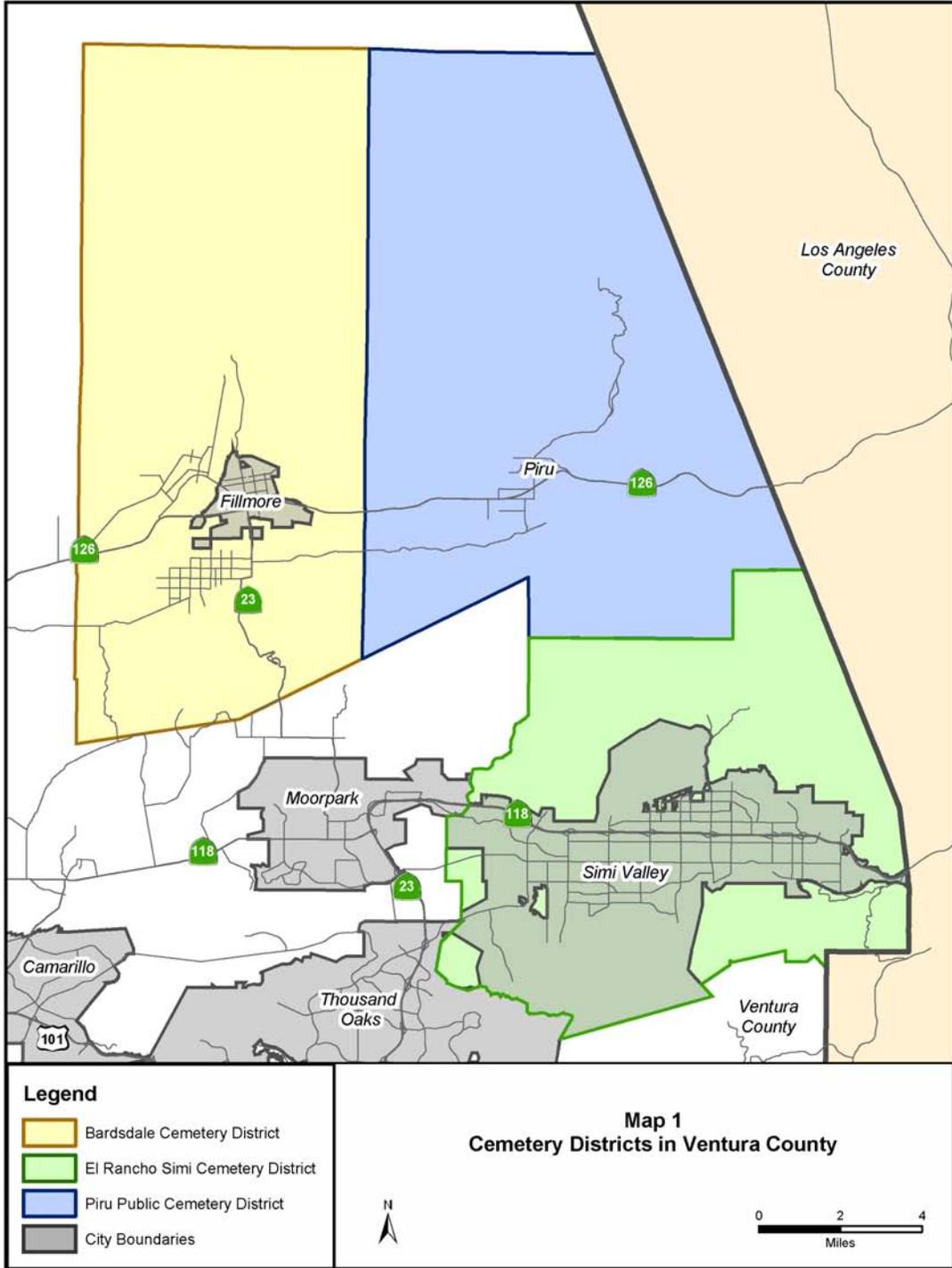
<sup>1</sup> Source: Special Districts Annual Report, 2003-2004, California State Controller

boundaries. Non-residents may be buried at the cemetery if family members are buried there, and the District also provides some burial services for indigents. The District boundaries include the City of Fillmore, the unincorporated community of Bardsdale and surrounding unincorporated areas. The District boundary and sphere of influence are coterminous, and border the Piru Public Cemetery District to the east.

The El Rancho Simi Cemetery District serves the City of Simi Valley and environs. The District was formed in 1946 as the Simi Valley Public Cemetery District and the current name was adopted in 1995. The District owns and operates a cemetery located at 1461 Thompson Lane in the City of Simi Valley, adjacent to the Rancho Simi Community Park. The District owned property includes both the cemetery and a residence and consists of approximately 5.3 acres. The District provides burial services to residents and property owners in the District and provides some burial services for indigents. The District boundaries include the City of Simi Valley and unincorporated areas to the north and south. The District boundary and sphere of influence are coterminous, and border the Piru Public Cemetery District to the north.

The Piru Public Cemetery District was formed in 1914 and serves the unincorporated community of Piru and environs. The District owns approximately 2.9 acres of land at 3580 Center Street in Piru. Less than half of this land is improved and operated by the District as a cemetery. The remaining portion is an undeveloped hillside. The District provides burial services to residents and property owners in the District. The District boundary and sphere of influence are coterminous, and border the Bardsdale Cemetery District to the west and the El Rancho Simi Cemetery District to the south.

### Map 1 – Cemetery Districts in Ventura County



**B. Agency Profiles**

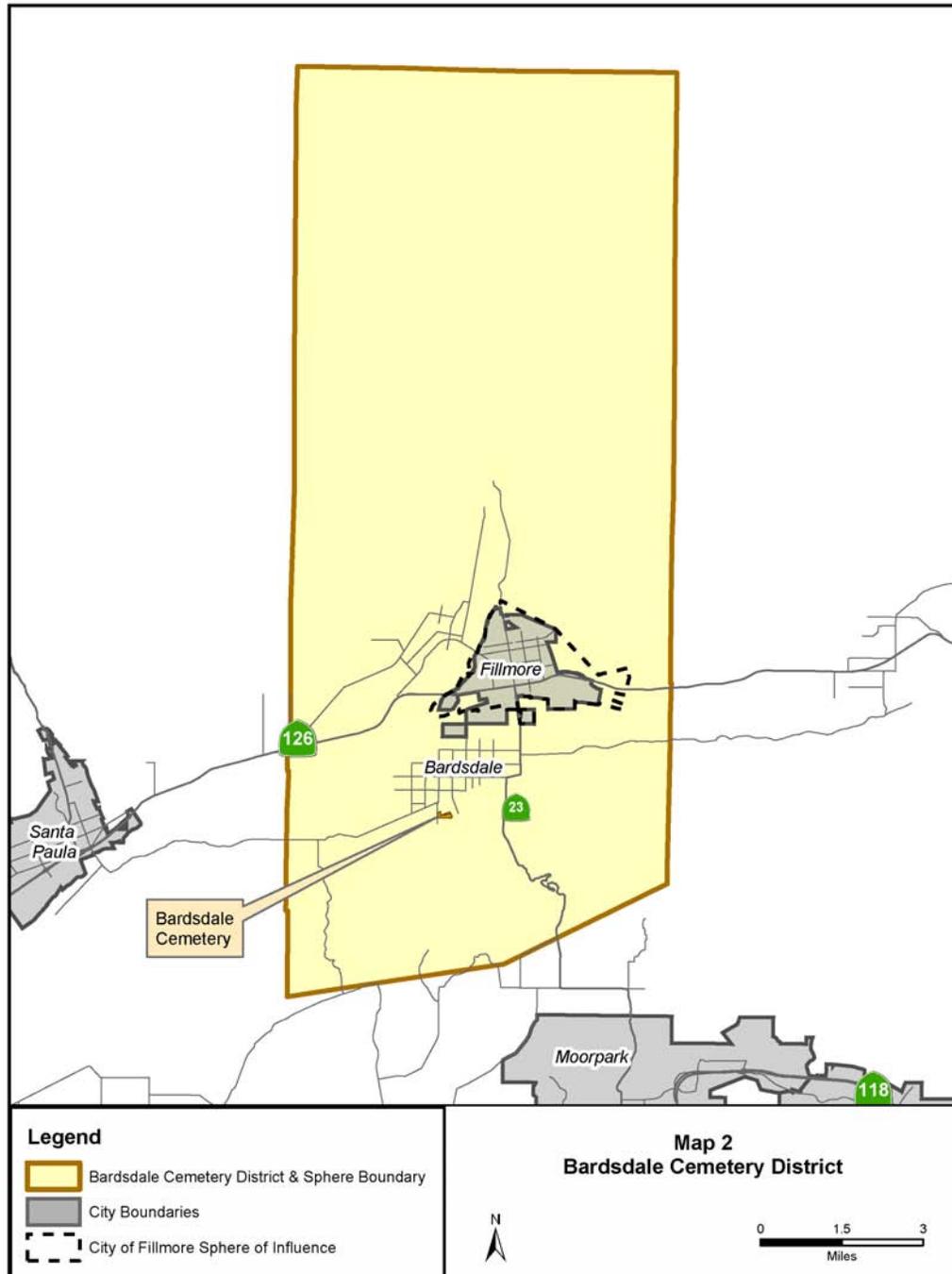
<b>Bardsdale Cemetery District</b>					
<b>Contact:</b>	Leonard Boynton, Manager				
<b>Mailing Address:</b>	1698 South Sespe Street, Fillmore CA 93015				
<b>Site Address:</b>	Same				
<b>Phone Number:</b>	805-524-3877				
<b>Fax Number:</b>	None				
<b>Email/Website</b>	None				
<b>Date formed</b>	1914				
<b>Services</b>					
<b>Types of Services:</b>	Cemetery services				
<b>Area &amp; Size Information</b>					
<b>Area in District boundary (approximate)</b>	73,662 acres (115.1 sq. mi.)				
<b>Number of Assessor Parcels in District</b>	4,839				
<b>Estimated population:</b>	16,534 (2005 estimate) <sup>1</sup>				
<b>Facilities and Staff</b>					
<b>Acreage of Cemetery:</b>	14.4				
<b>Total Cemetery Plots:</b>	5,468				
<b>Available Cemetery Lots:</b>	1,021 (18%)				
<b>Total Mausoleums:</b>	0				
<b>Total Crypts/Niches</b>	0				
<b>Number of Paid Staff:</b>	3				
<b>Financial Information</b>					
<b>Income</b>	<b>FY 2002-2003<sup>2</sup></b>		<b>FY 2003-2004<sup>3</sup></b>		
<b>Property Taxes</b>	\$20,572	11.8%	\$15,976	10.94%	
<b>Property assessments</b>	\$22,937	13.1%	\$11,561	7.92%	
<b>Service charges</b>	\$116,203	66.5%	\$115,929	79.38%	
<b>Other</b>	\$15,026	8.6%	\$2,580	1.77%	
<b>Total Revenue</b>	\$174,738		\$146,046		
<b>Expenses</b>					
<b>Salaries &amp; Benefits</b>	\$68,836	58.9%	\$62,774	71.46%	
<b>Services &amp; Supplies</b>	\$47,963	41.1%	\$25,071	28.54%	
<b>Other</b>					
<b>Capital Outlay</b>					
<b>Debt Service</b>					
<b>Total Expenses</b>	\$116,799		\$87,845		
<b>Income Over Expenses</b>	\$57,939		\$58,201		

<sup>1</sup> Source: Ventura Council of Governments/ Ventura County Planning Department

<sup>2</sup> Source: Special Districts Annual Report, 2002-2003, California State Controller (unaudited)

<sup>3</sup> Source: Special Districts Annual Report, 2003-2004, California State Controller (unaudited)

### Map 2 – Bardsdale Cemetery District



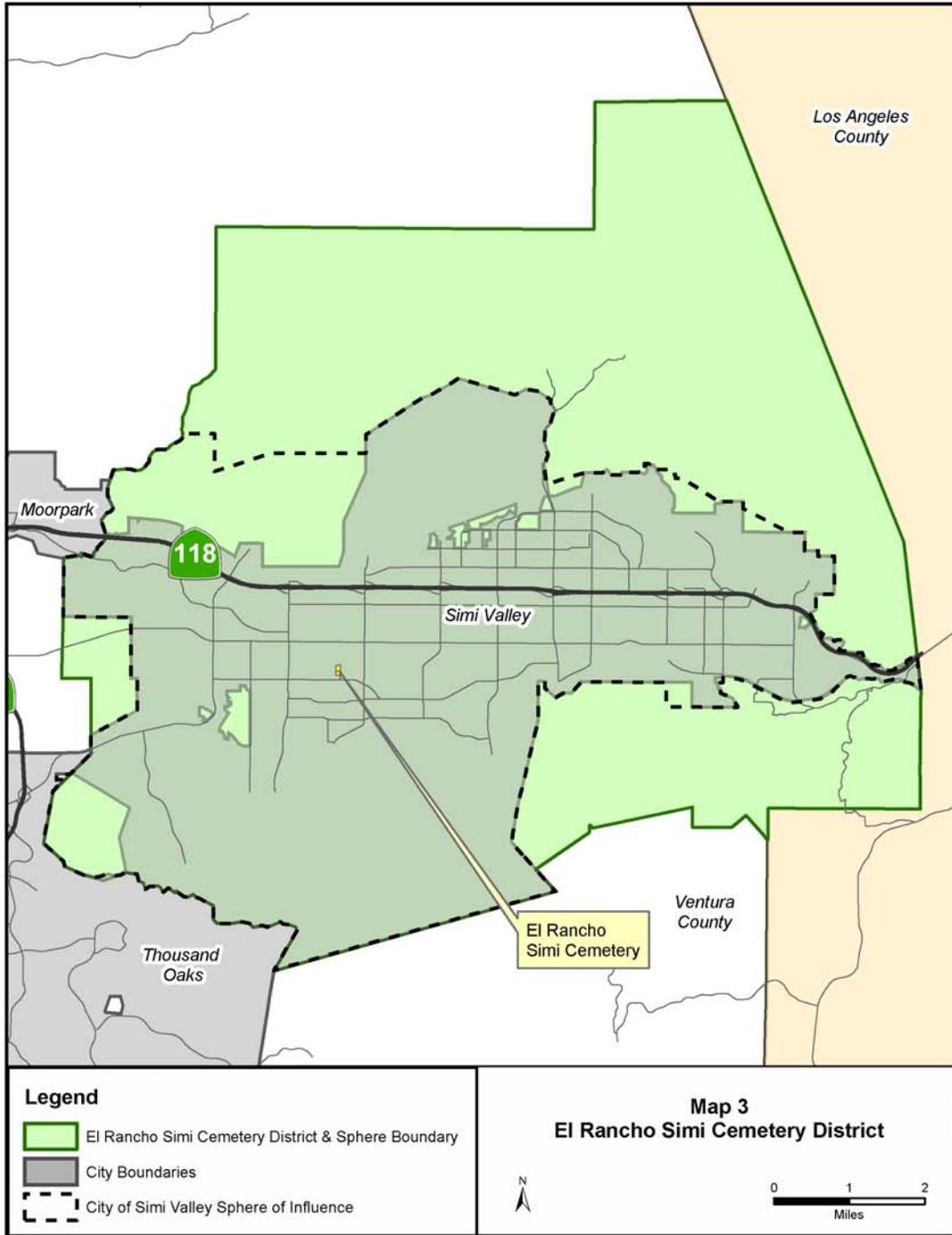
<b>El Rancho Simi Cemetery District</b>					
<b>Contact:</b>	Barbara Scroggins				
<b>Mailing Address:</b>	1461 Thompson Lane, Simi Valley, CA 93065				
<b>Site Address:</b>	Same				
<b>Phone Number:</b>	805-526-8245				
<b>Fax Number:</b>	805-522-6190				
<b>Email/Website</b>	None				
<b>Date formed</b>	1946				
<b>Services</b>					
<b>Types of Services:</b>	Cemetery services				
<b>Area &amp; Size Information</b>					
<b>Area in District boundary (approximate)</b>	57,094 acres (89.2 sq. mi.)				
<b>Number of Assessor parcels in District</b>	41,669				
<b>Estimated population:</b>	131,100 (2005 estimate) <sup>1</sup>				
<b>Facilities and Staff</b>					
<b>Acreage of Cemetery:</b>	5.3				
<b>Total Cemetery Lots:</b>	1,200 (approximate) <sup>2</sup>				
<b>Available Cemetery Lots:</b>	Unknown				
<b>Total Mausoleums:</b>	0				
<b>Total Crypts/Niches</b>	0				
<b>Number of Paid Staff:</b>	1				
<b>Financial Information<sup>3</sup></b>					
<b>Income</b>	<b>FY 2003-2004</b>		<b>FY 2004-2005</b>		
<b>Property Taxes</b>	\$39,575	29.28%	\$41,841	30.42%	
<b>Redevelopment Fees</b>	\$4,183	3.09%	\$4,422	3.22%	
<b>Service charges</b>	\$88,814	65.71%	\$87,256	63.44%	
<b>Other</b>	\$2,598	1.92%	\$4,018	2.92%	
<b>Total Revenue</b>	\$135,170		\$137,537		
<b>Expenses</b>					
<b>Salaries &amp; Benefits</b>					
<b>Services &amp; Supplies</b>	\$127,087	110.78%	\$92,184	89.13%	
<b>Other</b>	(\$12,370)	-10.78%	\$11,241	10.87%	
<b>Capital Outlay</b>					
<b>Debt Service</b>					
<b>Total Expenses</b>	\$114,717		\$103,425		
<b>Income Over Expenses</b>	\$20,453		\$34,112		

<sup>1</sup> Source: Ventura Council of Governments/ Ventura County Planning Department

<sup>2</sup> Source: District staff; Note that the financial information does not reflect any salaries or benefits for District staff. Thus, it is unknown whether or not the staff is truly staff or an independent contractor

<sup>3</sup> Source: Audited Financial Statements for the five years ended June 30, 2005, prepared November 30, 2006 by Arthur Martinez & Associates, CPA

### Map 3 – El Rancho Simi Cemetery District



<b>Piru Public Cemetery District</b>				
<b>Contact:</b>	John Avila, Secretary			
<b>Mailing Address:</b>	PO Box 516, Piru, CA 93040			
<b>Site Address:</b>	3580 East Center Street, Piru, CA			
<b>Phone Number:</b>	805-521-1599			
<b>Fax Number:</b>	None			
<b>Email/Website</b>	None			
<b>Date formed</b>	1914			
<b>Services</b>				
<b>Types of Services:</b>	Cemetery services			
<b>Area &amp; Size Information</b>				
<b>Area in District boundary (approximate):</b>	75,220 acres (117.5 sq. mi.)			
<b>Number of Assessor parcels in District:</b>	992			
<b>Estimated population:</b>	2,360 (2005 estimate) <sup>1</sup>			
<b>Facilities and Staff</b>				
<b>Acreage of Cemetery:</b>	1.3 <sup>2</sup>			
<b>Total Cemetery Lots:</b>	1,000 (approximate) <sup>3</sup>			
<b>Available Cemetery Lots:</b>	20 (2%) <sup>4</sup>			
<b>Total Mausoleums:</b>	0			
<b>Total Crypts/Niches</b>	0			
<b>Number of Paid Staff:</b>	0			
<b>Financial Information</b>				
<b>Income</b>	<b>FY 2002-2003<sup>5</sup></b>		<b>FY 2003-2004<sup>6</sup></b>	
<b>Property Taxes</b>	\$3,394	24.1%	\$3,453	44.68%
<b>Property assessments</b>				
<b>Service charges</b>			\$3,161	40.90%
<b>Other</b>	\$10,698	75.9%	\$1,114	14.42%
<b>Total Revenue</b>	\$14,092		\$7,728	
<b>Expenses</b>				
<b>Salaries &amp; Benefits</b>	\$2,156	18%	\$800	8.12%
<b>Services &amp; Supplies</b>	\$9,804	82%	\$9,051	91.88%
<b>Other</b>				
<b>Capital Outlay</b>				
<b>Debt Service</b>				
<b>Total Expenses</b>	\$11,960		\$9,851	
<b>Income Over Expenses</b>	\$2,132		(\$2,123)	

<sup>1</sup> Source: Ventura Council of Governments/ Ventura County Planning Department

<sup>2</sup> Approximate area developed for cemetery use; total parcel is 2.87 acres in area

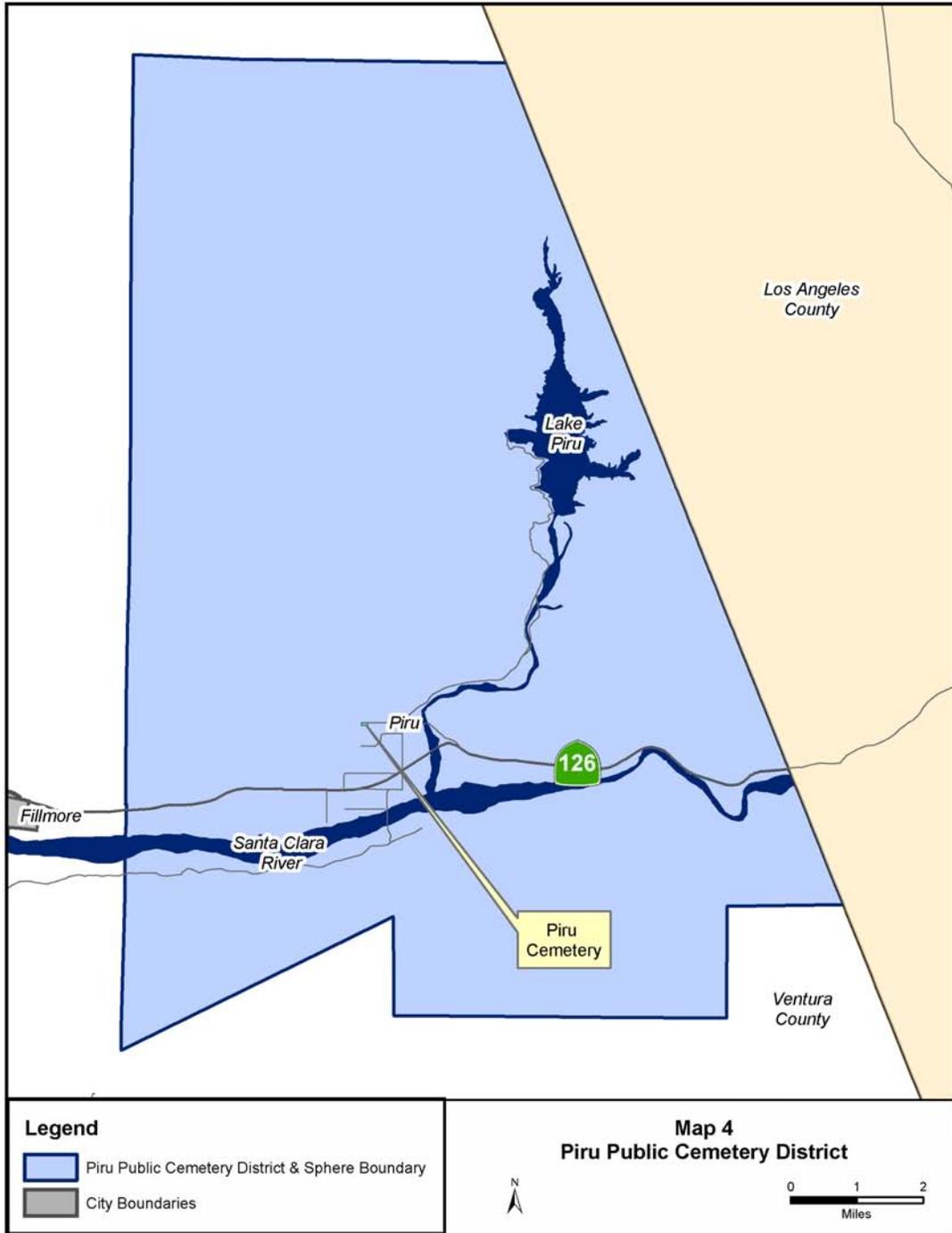
<sup>3</sup> Source: volunteer District secretary - includes double plots

<sup>4</sup> Source: volunteer District secretary – approximately 300 (10%) plots are reserved & 20 (0.67%) available

<sup>5</sup> Source: Special Districts Annual Report, 2002-2003, California State Controller (unaudited)

<sup>6</sup> Source: Special Districts Annual Report, 2003-2004, California State Controller (unaudited)

### Map 4 – Piru Public Cemetery District



## **C. Infrastructure Needs and Deficiencies**

The primary infrastructure need for most public cemetery districts is to have sufficient land available for cemetery purposes as the capacity of existing cemeteries is used. Capacity consists of places available for internments, including space for traditional cemetery plots and spaces in mausoleums and columbariums (including crypts and the like). At this point in time, none of the three districts have mausoleums or columbariums. From the standpoint of considering whether or not there are infrastructure needs or deficiencies for cemeteries, the amount of remaining capacity is the basic criteria. Remaining capacity consists both of spaces already sold and reserved and spaces available for sale.

### **Bardsdale Cemetery District**

Information provided by the Bardsdale Cemetery District estimates that the District has approximately 75-85 burials a year. The District cemetery was nearing capacity in the 1990s, but the District bought an adjoining parcel in 1998. As a result of this purchase the District now estimates that it has approximately 1,000 available plots and approximately 12 years of capacity. Thus, additional capacity is not considered to be an infrastructure need or deficiency for this district at this time.

### **El Rancho Simi Cemetery District**

The El Rancho Simi Cemetery District estimates it has approximately 1,200 plots total in the cemetery, but no one on behalf of the District has been able to provide information about the remaining capacity in the cemetery, including a breakdown between plots sold and reserved versus plots remaining available for sale. The District's recent audit for the five years ended June 30, 2005 noted this fact and reported that the District has not maintained an adequate inventory of cemetery plot records. District staff did indicate that there were approximately 78 burials in 2005. Simply based on this information, and the inability of anyone connected with the District to provide any other information, it appears that the El Rancho Simi Cemetery District may be at capacity within ten years, perhaps much earlier. The potential need for additional cemetery capacity within this time frame is an infrastructure need and deficiency for this District.

The El Rancho Simi Cemetery District owns a residence next to the cemetery. The residence and the land it occupies are an asset that should to be maximized for future cemetery expansion, enhancing operations and/or increasing the cemetery's endowment fund.

### **Piru Public Cemetery District**

The Piru Public Cemetery District's volunteer secretary estimates that the District has approximately 300 plots reserved and approximately 20 plots unreserved and available for sale. This volunteer estimated that there are an average of approximately 10 burials per year with about half being reserved plots and about half being newly purchased plots. Given this information it appears the District cemetery will not have any lots available for purchase within approximately five years. The need for additional cemetery capacity within a five-year time frame is an infrastructure need and deficiency for this District.

The Piru Public Cemetery District owns approximately 1.5 acres of vacant, hillside land adjacent to the cemetery that is an asset that should be maximized for future cemetery expansion, enhancing operations and/or increasing the cemetery's endowment fund. However the District does not at this time have the financial capability or professional expertise necessary to maximize this asset.

In addition to capacity issues, the Piru Public Cemetery District indicated that it has functional infrastructure deficiencies. The board of trustees does not have a regular place to meet and on occasion has had to conduct meetings around a card table at the cemetery. Currently the District board of trustees meets in donated community space that is privately controlled and considered temporary. The District is also lacking a proper storage space for equipment needed to maintain the cemetery and does not have access to office equipment or a telephone necessary to conduct District operations. Any office equipment or phones now being used are the personal, private property of the board of trustees or volunteers.

## D. Growth and Population

The LAFCo service review questionnaire asked each of the three cemetery districts to provide the current and estimated population at build-out for their service areas. Only the Bardsdale Public Cemetery District provided an estimate of current population; none of the cemetery districts had any information about projected growth.

Given the specialized nature of the services provided, the financial constraints of the districts and the other options available to families of the deceased for burial services, growth projections are not as critical as for other services such as water and wastewater. However, the lack of a generally accepted, consistent source and methodology for projecting future growth and population is an issue for all local government agencies in Ventura County as has been noted in other service review reports.

For consistency in data, 2005 population estimates and the projected 2020 population for the Fillmore area (Bardsdale Cemetery District), Simi Valley area (El Rancho Simi Cemetery District) and Piru area (Piru Public Cemetery District), have been used in this service review report. This information, shown in Table III-1, was initially prepared by the Ventura Council of Governments and was updated based on 2000 census information for the 2005 focused update to the Ventura County General Plan Land Use Element.

**Table III-1  
EXISTING AND PROJECTED POPULATION<sup>1</sup>**

District	2005 Population	Projected 2020 Population
Bardsdale (Fillmore area)	16,534	23,038
El Rancho Simi (Simi Valley area)	131,100	145,700
Piru (Piru area)	2,360	3,070

These population estimates/projections do not exactly match the boundaries of the three cemetery districts, but they do provide at least some basis for reviewing possible future demands for cemetery

<sup>1</sup> Source: Ventura Council of Governments/ Ventura County Planning Department

services in the areas served by the districts. While the Simi Valley area is by far the largest in terms of population and is projected to grow the most in terms of absolute numbers, the percentage increase in population projected between 2005 and 2020 is only approximately 11%. In contrast the Fillmore area projected 2005 to 2020 population increase is approximately 39% and the Piru area projected 2005 to 2020 population increase is approximately 30%. It is clear that each of these areas will have on-going and expanding needs for cemetery services. To the extent that the three public cemetery districts have capacity in their respective cemeteries, each district could meet at least some of the cemetery service need.

## **E. Financing Constraints and Opportunities/Cost Avoidance Opportunities and Rate Restructuring**

The primary sources of revenue for the three public cemetery districts are service fees, a share of the 1% property tax based on pre-Proposition 13 levels of taxation as of 1976, and, for the Bardsdale Cemetery District only, a special assessment of \$5 per parcel that has been levied since 1982. Service fees for the three public cemetery districts come from plot sales and fees for interment (opening and closing graves). The limited sources of income (service fees and taxes) and the practical inability of the districts to substantially increase income are a financial constraint.

As a district's cemetery becomes full the income from service fees declines, ultimately to zero unless a district has the capability of acquiring more land for cemetery purposes and/or better utilizing existing land the district already owns. Thus, declining capacity of the cemeteries owned by cemetery districts can be a significant financial constraint. The relatively near term capacity constraint (potentially within five years) identified as an infrastructure need and deficiency for the Piru Public Cemetery District is also a financial constraint for that District. The lack of adequate records about remaining capacity could also result in a potential financial constraint for the El Rancho Simi Cemetery District.

While each district should regularly review rates and make adjustments based on expenses, the ability to restructure rates and service fees is impacted by competition from private cemeteries. Also, as cemeteries become full neither rate restructuring or cost avoidance are sufficient to overcome the financial constraints resulting from a lack of capacity within cemeteries.

The Public Cemetery District Law requires the board of trustees to create and maintain an endowment care fund and requires a payment into the endowment care fund for each interment right sold. The amount of the payment cannot be less than the minimum amounts set by Health and Safety Code §8738 (\$2.25 a square foot for each grave), but can be more. The board of trustees may require a payment into the endowment care fund for each interment where no payment has previously been made and can transfer money from the district's general fund and from any other source into the endowment fund.

Table III-2 provides a comparison of the burial fees charged by each district, based on the cost for a single, adult burial for a district resident.

**Table III-2  
BURIAL FEE COMPARISON**

<b>DISTRICT</b>	<b>PLOT</b>	<b>INTERMENT</b>	<b>ENDOWMENT</b>
Bardsdale	\$500	\$300	\$100
El Rancho Simi	\$1,400	\$750	\$2,000
Piru	\$1,300	\$700	\$90

Cemetery districts can levy special taxes, applied uniformly to owners of real property. The Bardsdale Cemetery District received voter approval for a \$5 per parcel assessment in 1981, effective in 1982. At that time only a simple majority vote of the District's voters was required to approve this assessment. Now, however, special taxes are subject to approval of two-thirds of the voters in a district as required by Article XIII A of the state constitution. Because of the high voter approval threshold and competing demands for additional income for other public services, approval of special taxes for cemetery districts is difficult at best. This is especially true if a district does not even have the income necessary to consider and pay for an election, as is probably the case with the Piru Public Cemetery District.

The Public Cemetery District Law also provides for cemetery districts to establish Mello-Roos Community Facilities Districts. These types of "districts" can be used to finance the purchase, construction, expansion, improvement or rehabilitation of real property with a useful life of five years or more, a variety of capital facilities, and certain types of direct services that are in addition to services already provided. Forming community facilities districts is complex and, due to vote requirements, is usually done before an area develops. Because of the requirements for forming these types of financing districts, they are not a viable source of new operating revenues given existing conditions. However, based on new growth within the boundaries of a cemetery district, community facilities districts possibly could be a means of financing the acquisition of land for new or expanded cemeteries.

Public cemetery districts have the ability to borrow money and incur indebtedness (bond cap is 2% of the assessed value of all taxable property), and to establish a revolving fund in an amount not to exceed 110% of one-twelfth of the district's adopted budget for that fiscal year to pay any authorized expenditures of the district. However, the ability to borrow or restrict funds is predicated on the underlying financial condition of the district, and is not a source of new income.

The Public Cemetery District Law provides that the funds of cemetery districts with annual income of less than \$500,000 be kept in the county treasury. The annual income of the Bardsdale, El Rancho Simi and Piru Public Cemetery Districts are each less than \$500,000. While the board of trustees of each District is solely responsible for the affairs of the District, including receipts and disbursements, all warrants are to be drawn on the funds maintained in the county treasury. Because of this connection with the county treasury, the Ventura County Auditor- Controller was able to provide the most current information available for comparing the tax and assessment income of each District. Table III-3 provides a comparison of these tax income sources for each District for FY 2004-2005. Table III-4 compares the balances available in the county treasury at the end of FY 2004-2005 for each district's general and endowment funds.

**Table III-3  
PROPERTY TAX & ASSESSMENT INFORMATION – FY 2004-2005**

District	Property Tax Apportionment Rate <sup>1</sup>	Property Tax & Related Income	Special Assessment Income	Total
<b>Bardsdale</b>	.0000370344	\$20,656.19	\$44,465.43	\$65,121.62
<b>El Rancho Simi</b>	.0000601093	\$41,841.27		\$41,841.27
<b>Piru</b>	.0000055045	\$3,356.49		\$3,356.49

**Table III-4  
BALANCE IN COUNTY TREASURY AS OF JUNE 30, 2005**

District	Operating Fund	Endowment Fund
<b>Bardsdale</b>	\$224,873.23	\$160,302.08
<b>El Rancho Simi</b>	\$694.03	\$185,504.69
<b>Piru</b>	631.93	\$7,125.28

Note that the amounts shown in both Tables III-3 and III-4 do not include the income each district received from service fees. The County Auditor-Controller does not have information about service fee income as this income is apparently not maintained in the county treasury. The only available source for comparing service fee income is the State Controller's Annual Special District Report and is shown in the Agency Profiles in Section B of this Report. The accuracy of this information is not independently verified, however.

The financial status of each Cemetery District is summarized in the following sections.

### **Bardsdale Cemetery District**

The District appears to be financially stable with respect to operating revenues and expenditures. The District has no outstanding indebtedness. The District adopts an annual budget and contracts with a certified public accountant for an audit of the District's accounts and records. According to the Ventura County Auditor-Controller, and as allowed in the Public Cemetery District law, the District is on a two year (biennial) audit cycle. However, the most recent audit covered the one-year period ended June 30, 2004. The opinion was unqualified. In addition to audits, the District is current in meeting all other financial reporting requirements. The District uses appropriate cost avoidance methods, but opportunities for cost avoidance are limited given the function and size of the District. The board of trustees periodically reviews rates and service charges to ensure that income is adequate to meet projected expenses. No significant fiscal issues or opportunities were noted for the Bardsdale Cemetery District.

<sup>1</sup> This is the amount received by each District for every \$1 in property tax revenue collected. Thus, for example, the Bardsdale Cemetery District receives less than \$0.04 for every \$1,000 in property tax collected within the District boundary; the Piru Cemetery District receives only about ½ cent for every \$1,000 paid in property taxes.

## **El Rancho Simi Cemetery District**

The financial status of the El Rancho Simi Cemetery District was uncertain until an independent audit for the five years ended June 30, 2005 was completed in late November 2006. The completion of this MSR was delayed for nearly a year while this audit was being prepared as no one associated with the District was able to provide any financial information as a part of the LAFCo MSR questionnaire.

This recent audit of the District was qualified. The auditor noted four “reportable conditions,” two of which were corrected at some time during the five-year period of the audit.

- The District did not maintain adequate source documents (cancelled checks, paid invoices, time cards, etc.) necessary to substantiate and document transactions. The effect is that the District could not demonstrate that it deposited all revenues potentially received in the proper accounts or that it expended funds earmarked or designated for the District’s operations in accordance with the District’s financial plans. This was noted in a preceding audit issued in 2002 for the two-year period ending June 30, 2000. The current audit noted that sometime during the current audit period controls were implemented to correct this condition. However, the lack of records for source documents potentially affects the financial statements of the current audit.

Separate from the recent audit, information has been provided that the District hired a bookkeeper in 2001 and that the bookkeeper has obtained and reconciled all financial records since 1998. Why the District did not provide this information as a part of the LAFCo questionnaire in 2004/2005 or, apparently, to the auditor during the recent audit is unknown.

- The District did not maintain adequate accounting records (cash receipts journals, cash disbursement journals, fixed asset journals, general ledger, etc.), either manually or computerized. This condition, noted during the preceding audit, was corrected sometime during the current audit period, presumably after the hiring of a bookkeeper. The auditor noted, however, that there is still a need for a year-end accounting process to consolidate the accounting records and prepare financial statements.
- The District lacks budgetary monitoring. The preceding audit for the two years ending June 30, 2000, noted that the District did not adopt or maintain an operating budget as required by law. Budgetary accounting serves as an internal control to ensure that expenditures are made within the laws and regulations affecting the District and its operations, and allows the District’s board of trustees to measure the performance of the District’s management. Because of the lack of budgetary monitoring, the District cannot determine whether legal expenditure requirements were exceeded. This condition still exists as the District still has not taken steps to adopt and maintain an annual budget as required by law.
- The District does not maintain an inventory of cemetery plot records. This condition, noted during the most recent audit period, means that the District cannot ensure proper and complete accounting of revenue, or monitor the capacity for future sales of cemetery plots.

With these “qualifying” reportable conditions as background, the following are some of the financial highlights contained in the audit:

- The District’s assets exceeded its liabilities at each of the five years ended June 30, 2005, by \$265,356, \$280,340, \$257,794, \$278,247 and \$312,359 respectively.

- The District's total net assets increased \$47,003, or 18%, over the five years ended June 30, 2005.
- The District's total revenues fluctuated and increased significantly over the five years ended June 30, 2005. These changes were mainly the result of an improvement of the proper recordation of revenues and expenditures that was lacking in previous years, as well as through the first few years of the current five-year reporting period.
- The District's total expenses fluctuated and increased significantly over the five years ended June 30, 2005. Those changes were mainly a result of the improvement of proper recordation of revenue and expenses that was lacking in previous years, as well as through a substantial portion of the current five year audit period.

The recent audit also highlighted a significant cause for concern relating to the District's long-term debt. In April 1990 the District executed an improvement loan agreement with the City of Simi Valley. The City was to administer and finance capital improvements over the following three years. Improvements were not to exceed \$350,000. The District agreed to repay the cost of improvements over ten years beginning six months after the completion of all projects or three years from the date of execution of agreement, whichever date was first. Interest was to accrue at a rate based on the City's prevailing cost of funds. It was later agreed the composite rate would be 6.08% per annum. As of June 30, 1993, the capital improvements were completed and the City indicates that the initial principal balance due as of June 30, 1993, was \$265,047.

On July 1, 1991, the City of Simi Valley, the Simi Valley Community Development Agency, and the District entered into an agreement to share tax revenues generated by the Agency's redevelopment project areas. In accordance with this agreement, the District is entitled to eighty percent of the portion of taxes allocated to and received by the Agency resulting from the general purpose tax levy.

According to information provided by the City, the District has never directly paid any of the principal or interest due on the improvement loan. However, beginning in 1996, the City's Community Development Agency used funds collected under its 1991 agreement with the District to offset a portion of the improvement loan payable by the District to the City. Notwithstanding these offset payments, the District is in default on this improvement loan due the City. After applying the retained funds, and after accounting for the compounding interest due, the City reports that the balance of the improvement loan due as of June 30, 2005 was \$478,722. As of June 30, 2006, the balance due the City was \$502,501.

It should be noted that the information in the recent audit about the payments, interest and balance due for the improvement loan between the District and the City of Simi Valley is substantially different than the information the City has recorded about the loan. However, given the amount of the improvement loan due to the City, and the information in the audit indicating that for the year ending June 30, 2005 the District's total revenue was \$137,537, and total net assets were \$312,359, the auditor's conclusion about the ability of the District to remain in operation being contingent on the support of the City of Simi Valley is valid. Potentially, if the City of Simi Valley were to call this loan or insist on a standard type of repayment of the improvement loan as was originally envisioned, the District could be forced into bankruptcy.

Government Code §26909 requires that if a special district does not provide its own audit, the county auditor must contract for or directly audit the accounts and records of special district. If a district board unanimously requests, and the Board of Supervisors unanimously approves, an annual audit can be replaced by a biennial audit covering a two-year period, or if a district's annual budget does not exceed an amount specified by the Board of Supervisors, an audit covering a five-year period will suffice. There is no record of any request by the District or any action by the Board of Supervisors to authorize anything other than an annual audit for the El Rancho Simi Cemetery District. As noted, the most recent audit was for the five year period ending June 30, 2005, and was prepared through the auspices of the Ventura County Auditor-Controller. The Ventura County Auditor-Controller reports that the prior audit on file for the District is for the two-year period ended June 30, 2000, issued in May 2002. The District board of trustees should ensure that the District's financial statements are audited on an annual basis as required by law, or should at least follow the process in the law to allow for a biennial audit. Given the issues and concerns raised by the last two audits, and the other issues noted in this MSR for this District, a five year audit cycle is too long.

As a part of the follow-up with District representatives about the LAFCo MSR questionnaire, it was noted that the District does not have a current budget. The most recent audit noted that, "The organization maintained no budgets during the five years under audit." The Public Cemetery District Law requires the board of trustees of each cemetery district to adopt an annual budget on or before August 30 of each year and to forward a copy of the final budget to the county auditor (Health & Safety Code § 9070). The District is not in compliance with the law in terms of preparing an annual budget.

The District owns a residence adjacent to the cemetery. The sole employee of the District lives in the residence as part of her compensation. This residence and the land it occupies are an asset. It is beyond the scope of this service review to analyze whether or not this asset is being used as effectively and efficiently as possible, but the District trustees should periodically conduct such an analysis. To the extent the cemetery is nearing capacity, the District could consider converting all or a portion of the land occupied by the current residence to cemetery purposes, thus providing for expansion and being able to sustain a steady source of revenue that may not otherwise be possible. Alternatively, the sale or lease of the residence could provide income to offset administrative and operational expenses, meet debt obligations, and/or contribute to the cemetery endowment fund.

The District uses contractors to perform maintenance, landscaping and burial related services, and the District's cemetery is well maintained. The District board of trustees and staff seem committed to maintaining daily operations. The District does need to take immediate, proactive steps to meet legal requirements for its financial affairs, especially complying with budget and audit requirements. The District should consider hiring an administrative professional for this purpose, and must continue to work with the City of Simi Valley about restructuring the outstanding debt and to assist the District to maximize its assets. Continuing business as usual without professional administrative assistance will further exacerbate the District's problems of meeting the basic requirements to operate as an independent local governmental agency.

### **Piru Public Cemetery District**

Financially the Piru Public Cemetery District is in critical condition. The District has no staff. Maintenance, landscaping and burial related services are performed mostly by volunteers. While the

District board of trustees does have a volunteer secretary, trustees and the volunteer secretary were not able to provide any financial information. Board members indicated the District does not adopt a budget and that the District relies on reports received from the Ventura County Auditor-Controller about the status of funds. When the District last adopted a budget is unknown. The Public Cemetery District Law requires the board of trustees of each cemetery district to adopt an annual budget on or before August 30 of each year and to forward a copy of the final budget to the county auditor (Health & Safety Code §9070). The District is not in compliance with this requirement and appears to be incapable of meeting this requirement.

Special districts are required to prepare audits and to file them with the county auditor. If an audit is not filed, the county auditor is required to prepare an audit or cause an audit to be prepared. Any costs incurred by the county auditor in preparing an audit are to be borne by the special district and the county auditor may charge against any unencumbered funds of the district to recover the costs of an audit. The Ventura County Auditor-Controller reports that the Piru Public Cemetery District is on a five-year audit cycle and that the last audit on file is for the five-year period ended June 30, 1998. That audit was received by the Auditor-Controller in 2002. The District owed the County approximately \$8,820 for that audit. To date the County Auditor-Controller has received only \$700. Unless the Board of Supervisors directs otherwise, however, the County Auditor-Controller will have no choice about attempting to recover the balance of \$8,120 that is due. This debt, compared with the District's small amount of annual revenue, constitutes an additional financial constraint and as long as the District exists there is no way to avoid this and future obligations relating to audits and financial reporting. The District is out of compliance with respect to preparing an audit for the five-year time period ending June 30, 2003, however, it appears that the District simply cannot afford to meet this obligation. The District has reported to the Ventura County Auditor-Controller its continuing efforts to obtain a pro-bono audit for this time period, but to date has been unsuccessful.

The Piru Public Cemetery District receives only a very small amount of property tax income. This income source is not expected to increase substantially due to the relatively low assessed values and the limited amount of new growth projected in the Piru area. The only other source of income for the District is service charges for cemetery plots and burials. While no current data is available, this source of income appears to be declining as the existing cemetery becomes full. There is the very real prospect that this income source will not be available within the next five years.

The small amount of property tax income and declining income from service fees have contributed to the District's inability to comply with mandatory financial requirements such as adopting a budget and providing for audits. While the District could possibly raise rates, the lack of remaining capacity in the cemetery means that no possible rate increase will significantly alter the District's overall lack of operating income.

The District owns land adjacent to its cemetery that is an asset. This land is part of an undeveloped hillside that is unsuitable for traditional cemetery purposes, but that perhaps could be used for crypts. The District trustees would like to be able to maximize this asset. Options include selling fill-dirt from the hillside and having the area graded for future cemetery expansion, selling the hillside area and using the proceeds for the acquisition of other property for cemetery expansion, or potentially creating a crypt in the hillside to increase overall capacity. At the current time, however, the District does not have the financial resources to begin to make use of this land and the trustees do not have the necessary expertise to undertake this project even if, as volunteers, they were so inclined.

The District relies on cost avoidance methods to function; volunteers perform maintenance, landscaping and burial related services. Further opportunities for cost avoidance are limited and may be non-existent. If volunteers were not available, the current limited functioning of the District would not be possible.

In the simplest terms, the Piru Public Cemetery District does not have the financial resources necessary to maintain operations as an independent of local government agency.

## **F. Government Structure Options/Opportunities for Shared Facilities**

In the context of this service review and LAFCo terminology, government structure options include:

- Annexation or detachment of territory (increasing or decreasing the amount of territory within an agency's boundaries).
- Consolidations (the uniting or joining of two or more special districts into a single new special district).
- Mergers (the extinguishment of a special district by combining the special district with a city).
- Establishment of subsidiary districts (a special district continues to exist as a legal entity, but a city council is designated as the ex officio board of directors of the special district), and
- Dissolutions (the extinguishment of a special district and the cessation of all the special district's powers).

Each of these structural changes is considered a change of organization or, if combined with other structural changes, a reorganization, and each requires approval by LAFCo. For cemetery districts in addition to these structural changes, a county board of supervisors can directly take over the governance of a cemetery district or change the size of a cemetery district's board of trustees without any action by LAFCo.

There is no opportunity for the cemetery districts to share their basic facilities, especially given the capacity constraint that exist for the Piru Public Cemetery District and potentially for the El Rancho Simi Cemetery District. It is possible that shared administrative support, shared maintenance or similar shared functions could reduce expenses, but the significance could be marginal given the distance between the cemetery locations and, for the Piru Public Cemetery District, given the current reliance on volunteers.

### **Bardsdale Cemetery District**

The Bardsdale Cemetery District, given its size and location, and relative financial health in comparison with the other two public cemetery districts reviewed, has little or no need to consider any significant government structure options. The only government structure option that the District should consider is the detachment of territory in the northerly part of the District that is part of the Los Padres National Forest. This area is owned by the federal government and has no residents. The

District receives no income from the area via property taxes or service charges and provides no services to the area (see Map 5). While the District should consider initiating the detachment of the National Forest lands in the interest of orderly boundaries, such a detachment would have little or no effect on District operations or long-term viability.

### **El Rancho Simi Cemetery District**

Given the El Rancho Simi Cemetery District's primary service area and the amount of the outstanding debt the District owes to the City of Simi Valley, any consideration about governmental structure options must include the City of Simi Valley. The best long-term governmental structure option would be for the City to take over the governance of the District, especially considering the outstanding amount of the loan between the District and the City. However, neither a merger with the City or establishing the District as a subsidiary district of the City is possible at this time. A merger can only occur if the entire territory of the District is within the boundaries of the City. The District could only be established as a subsidiary district of the City if at least 70% of land area of the District is within the City's boundaries. Neither of these area tests can be met at this time as the District boundary extends well beyond the City's boundary and the City is less than 70% of the area within the District. If the City and the District are willing to consider some form of combination in the future it could be possible for the District to seek to detach undeveloped open space designated territory outside the City's sphere of influence to reduce the size of the District to meet the 70% area overlap requirement. These areas are shown on Map 6. The desirability and feasibility of such a detachment would require a separate analysis, however, and would have to be based on further, more current financial information about the District.

A feasible governmental structure option that can be considered is for the County Board of Supervisors to take over the governance of the District. Such an action by the County Board of Supervisors would likely result in increased costs for the County. However, if the District's appointed board of trustees is unwilling or unable to take meaningful steps to engage the professional support necessary to assist in meeting budget and financial reporting requirements, satisfy debt obligations, explore options to extend the capacity of the cemetery, and consider actions necessary for the City of Simi Valley to ultimately assume the governance of the District, the County Board of Supervisors should consider following the process in the Public Cemetery District Law to appoint itself as the board of trustees. This would at least help ensure that the financial affairs of the District are in sufficient order to consider other options, including:

- Working with the City of Simi Valley about restructuring debt and altering the District boundaries so that the City could ultimately assume the governance of the District.
- Reviewing how best to maximize the District's real estate assets.
- A possible parcel tax or other mechanisms to increase District income.

A governmental structure option either the District's current appointed board of trustees or the Board of Supervisors could consider is the possible sale of the cemetery to a "cemetery authority." A cemetery authority is defined as including a, "...cemetery association, corporation sole, or other person owning or controlling cemetery lands or property" (Health & Safety Code §7018). This could be either a local government or a private corporation. The process for a public cemetery to be sold requires the board of trustees to adopt a resolution of intention and for the Board of Supervisors to conduct hearings and a protest proceeding (Health & Safety Code §9055). Under such a scenario, once the sale is complete the District would be dissolved. Whether or not there is any market for the

District's cemetery and related assets is unknown. However, if the District board of trustees believes that there is no prospect of meeting governmental mandates and/or increasing revenues, this option should at least be explored. Should the District be dissolved, the modest amount of property tax income the District receives would likely be apportioned among all the other local taxing entities and would not be available to any non-governmental owner/operator.

This option (the sale of the cemetery and subsequent dissolution of the District) could be controversial. Cemeteries are nominally regulated by the Cemetery and Funeral Bureau (CFB) of the Department of Consumer Affairs. As the successor to the previous California State Cemetery Board, the CFB regulates both public and private cemeteries. However, due to budget cuts, the CFB is understaffed and regulation/oversight of cemeteries is lacking. This lack of oversight has in some instances resulted in a decline in maintenance when a public cemetery was sold to a private operator. The prospect of a sale of a public cemetery to a private operator can generate opposition from individuals and organizations, such as *Saving Graves*, who believe that publicly owned cemeteries should be held in trust for past generations and their descendents. Thus, if this option were to be considered it would be important to first identify a reputable, responsible organization that has a proven track record in owning, operating and maintaining cemeteries.

### **Piru Public Cemetery District**

A recommended determination of this service review is that the Piru Public Cemetery District does not have sufficient income at this time to function as an independent local government agency. The appointed board of trustees, while dedicated volunteers, cannot be expected to comply with all the various mandates relating to local government agencies without sufficient resources. Further, there are insufficient resources for the board of trustees to properly review and analyze possible ways to maximize District assets to increase income, even if the trustees had the expertise to do so. This circumstance is likely to only become worse as the income from service fees declines.

The problem of small, independent special districts not having sufficient resources to operate properly, and in some instances approaching insolvency, is increasing throughout the state. There is no easy answer or "one size fits all" solution, especially when there is an asset like a cemetery that requires maintenance in perpetuity. No other public agency at any level of government wants to assume or inherit an actual or perceived liability. In this case, however, while the Piru Public Cemetery District may not have the income to properly function as an independent governmental agency, there are a number of options that should be explored before any decisions are made to close the cemetery and potentially dissolve the District. What is necessary is a concerted boost of assistance, probably over a period of at least five years, to explore all options to increase the District's cemetery capacity and income. The County of Ventura is the only governmental entity that can provide this assistance and the necessary administrative support.

Given the current context a recommended determination is that the Board of Supervisors follow the process in the Public Cemetery District Law to terminate the appointed District board of trustees (whose terms of office all expired in January 2005 – see Section H) and appoint itself as the board of trustees. This process would result in a governance change only; the District would remain as a separate legal entity and would continue to receive its small share of property tax income. Having the Board of Supervisors as the trustees for the District would better enable the County to allocate resources to review multiple options to increase the District's income and perhaps enable it to

function independently in the future. Some options that the Board of Supervisors could explore implementing are:

- Coordinating the utilization of the undeveloped hillside land adjacent to the cemetery, either for fill-dirt or some other purpose that would benefit the viability of District by providing additional cemetery capacity.
- Expanding the Piru Redevelopment Project Area to include all the cemetery property. Even though both the improved and unimproved portions of District's property are one assessment parcel, County staff indicates that only the portion of the property that is used for cemetery purposes is within the boundaries of the Piru Redevelopment Project Area. While redevelopment funds cannot be used for operations, redevelopment funds can be used for capital projects that may benefit the long-term operation and/or maintenance of the cemetery.
- Imposing some type of development impact fee for any development in the District's boundary that could assist with maximizing the ability of the District to use its land resource.
- Seeking grants that could benefit the District.
- A special tax for District operations, similar to the \$5 per parcel assessment in the Bardsdale District.

If the Board of Supervisors is unwilling or unable to take over the governance of the District, the Supervisors, the District board of trustees, voters within the District (via a petition signed by at least 10% of the voters), or LAFCo, could initiate the process to dissolve the District. LAFCo would then be responsible for overseeing any protest proceedings and making decisions about determining a successor agency. The result of such an action would likely be that the cemetery would be closed and the County would be named as the successor agency for wrapping up the affairs of the District, including administering the endowment fund to maintain the cemetery in perpetuity. In this scenario, the undeveloped land next to the cemetery could potentially be sold and the proceeds added to the endowment fund for long-term maintenance.

An option either the current appointed trustees or the Board of Supervisors could consider is the sale of the cemetery to a cemetery authority or cemetery association and the subsequent dissolution of the District. This option would involve the same process and raise the same potential issues discussed in the preceding section for the El Rancho Simi Cemetery District.

### **Consolidation of Districts**

In previous LAFCo studies the possibility of consolidating the Bardsdale Cemetery District with the Piru Public Cemetery District was discussed. Consolidating the Districts could help the Piru Public Cemetery District continue to provide services and might help both agencies reach economies of scale while maintaining local control. Boundaries, while already straightforward, would be simplified and services could potentially be improved, at least for the area now within the Piru Public Cemetery District.

However, cost savings would be limited if even realized; in fact, it could be more expensive for the newly consolidated district to provide services given the Piru Public Cemetery District's lack of income. As noted, the Piru Public Cemetery District does not currently have adequate income to function as a local government agency. It would be a disservice to the residents in the Bardsdale Cemetery District, who have annually been paying an additional fee of \$5.00 per parcel since 1982, to

ask them to assume the financial burden for the Piru Public Cemetery District. It is also likely that the Bardsdale Cemetery District's board of trustees would oppose the consolidation if any financial liabilities were shifted to their agency.

If consolidation is pursued, either through a formal reorganization of the two agencies or through a functional consolidation where service provision is shared, it would need to be predicated on the approval of an equivalent parcel tax by the voters in the Piru Public Cemetery District. Consolidation based on approval of a parcel tax by the voters in the Piru Public Cemetery District could enable the services of the Piru Public Cemetery District to continue to be provided without requiring a subsidy from other sources. Alternatively, however, if the voters within the Piru Public Cemetery District approve a parcel tax similar to what is already in place in the Bardsdale Cemetery District, and if the Piru Public Cemetery District is also able to maximize its real estate assets to increase the capacity of the Piru Cemetery, a formal consolidation may not be necessary or viewed as desirable by the voters in either District. Whether or not the voters in the Piru Public Cemetery District would be willing to approve a parcel tax is unknown, and the Piru Public Cemetery District does not at this time have the resources or expertise to even consider this option.

Consolidation of the El Rancho Simi and Piru Public Cemetery Districts into a single new District could be a viable option in the long-term, especially if the Board of Supervisors assumes the governance of both Districts. The County could initiate the process to consolidate the two Districts into a single new District with the Board of Supervisors as the board of trustees. Further analysis would be needed first, but conceptually there would not be any property tax issues and such an action might make sense once the cemeteries are full and the only remaining function is to maintain the existing cemeteries. At least in theory, consolidation could lead to reduced administrative expenses and provide economies of scale opportunities for maintenance.

### **Spheres of Influence**

As part of the service review process, the three public cemetery districts were given LAFCO-generated maps of their jurisdictional and sphere of influence boundaries. Agencies were asked to note on the maps:

- Areas of duplication of planned or existing facilities with another agency
- Areas better served by another agency
- Areas better served by the responding agency
- Areas outside the agency's boundaries which currently receive service
- Areas difficult to serve or with illogical boundaries

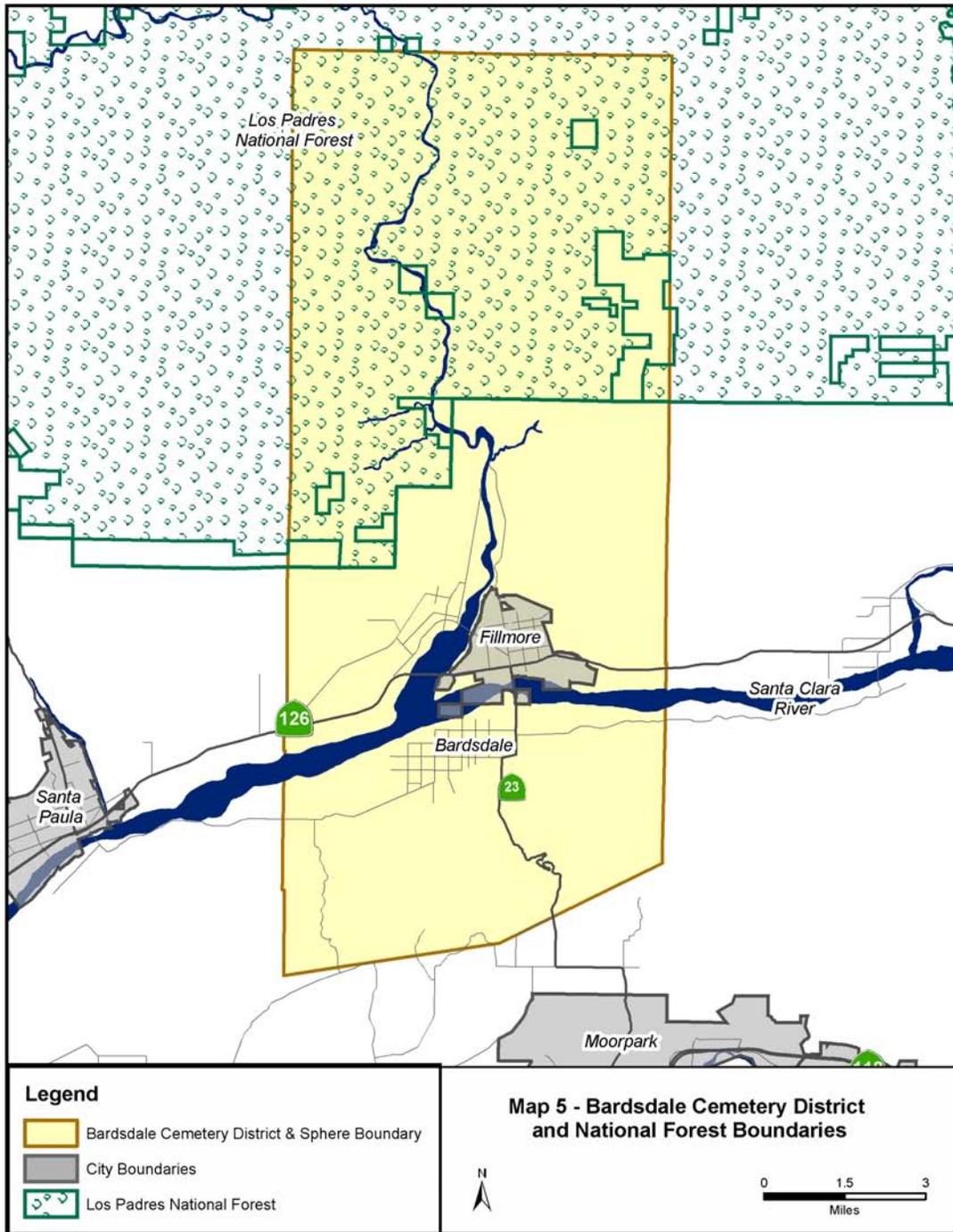
Only the Bardsdale Cemetery District responded and it did not note any areas that met any of the above-noted criteria.

Currently the spheres of influence of each of the three cemetery districts are coterminous with the boundaries of each District. The boundaries, and thus the spheres of influence, of both the Bardsdale and Piru Public Cemetery District, however, include substantial territory that is now part of the Los Padres National Forest owned by the federal government. Neither District derives any property tax or any other income from these areas and neither District provides service to these areas. The Ventura LAFCo should consider reducing the sphere of influence for both of these Districts to not include any

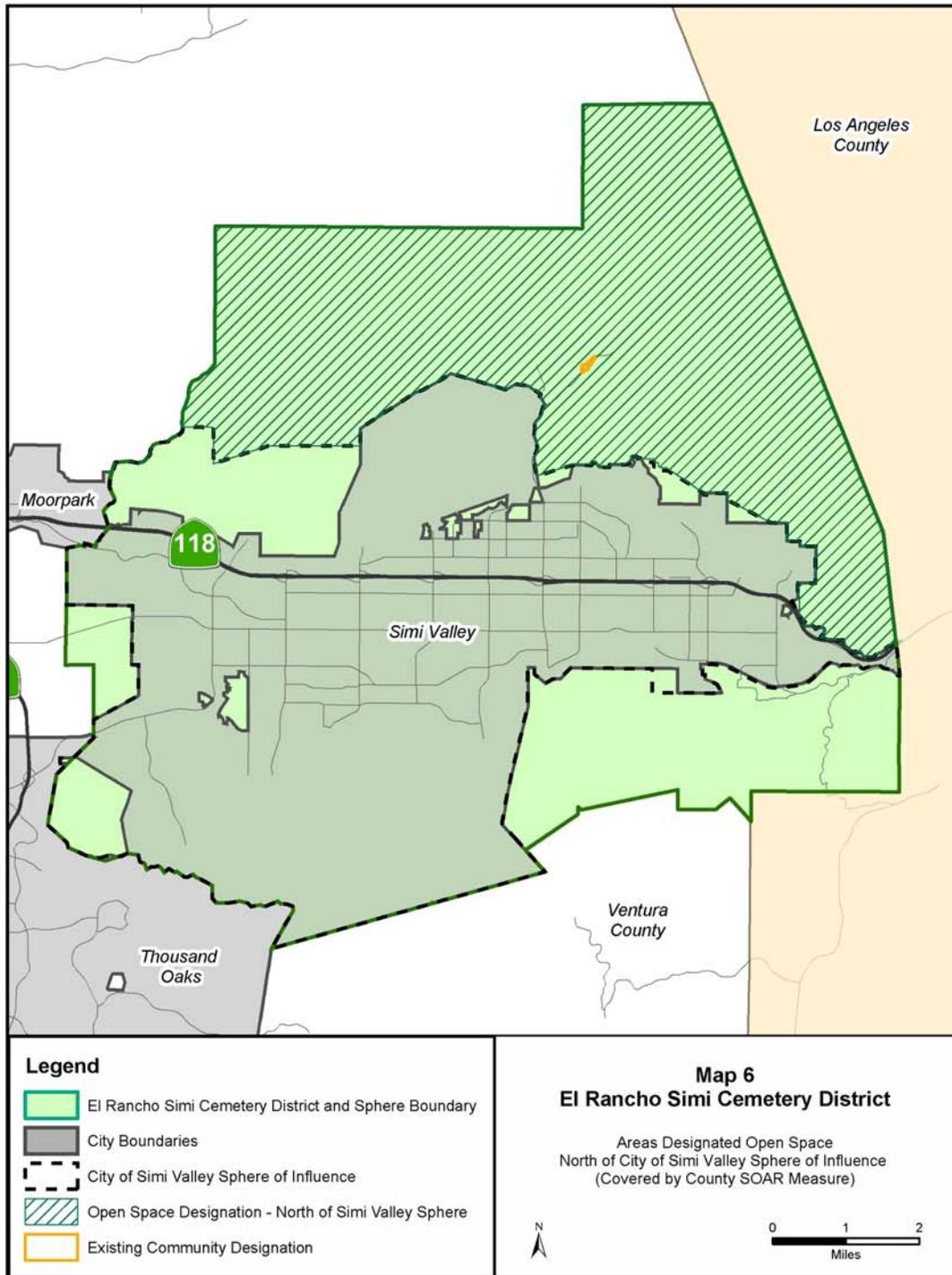
National Forest lands and should encourage each District to initiate detachment proceedings for these areas. Map 5 shows these areas for the Bardsdale Cemetery District and Map 7 shows these areas for the Piru Public Cemetery District.

While the boundary and sphere of influence of the El Rancho Simi Cemetery District does not include any National Forest territory, the District boundary and sphere of influence does include substantial undeveloped area in the hills to the north of the City of Simi Valley that are designated as open space in the County General Plan. These areas are outside the City's sphere of influence and CURB (City Urban Restriction Boundary). While the District does receive a small amount of property tax from these open space areas, little to no service is provided, as there are few, if any, residents in the area referenced. The Ventura LAFCo should consider reducing the sphere of influence of the El Rancho Simi Cemetery District to exclude any open space designated territory to the north of the City of Simi Valley's sphere of influence and should encourage the District to initiate detachment proceedings for this area. The area involved is shown on Map 6. Such an action would allow the City of Simi Valley to be formally considered in possible government structure options for the District in the future, but only to the extent the City is willing to be involved.

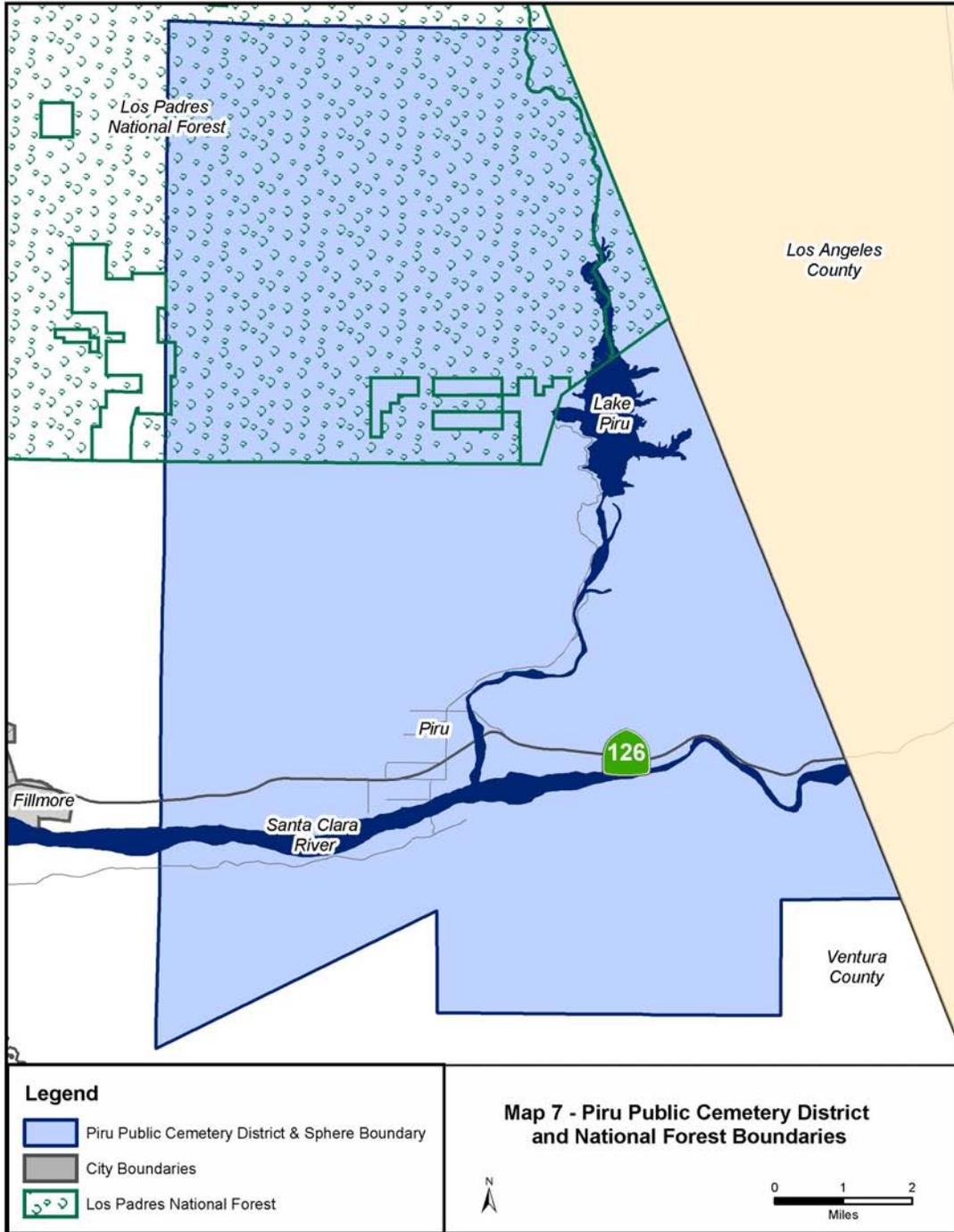
### Map 5 – Bardsdale Cemetery District – National Forest



### Map 6 – El Rancho Simi Cemetery District – Open Space Lands



### Map 7 – Piru Public Cemetery District-National Forest



## G. Evaluation of Management Efficiencies

In previous service review reports, an evaluation of management efficiencies used the presence of master plans, administrative overhead as a percent of expenses, the number of employees and current and past litigation as means of evaluating the agencies. However all three cemetery districts are small enough to make previously used evaluative criteria meaningless. Master Plans are not generally prepared for cemetery districts. There is no pending litigation involving any of the three districts. The number of employees varies from three at Bardsdale to none at the Piru Public Cemetery District. The Piru Public Cemetery District is able to function only due to the efforts of volunteers.

In the absence of other criteria, the best way of attempting to review management efficiencies for the three public cemetery districts is to review how each district is complying with mandatory provisions of state law relating to the district's finances. For the purpose of this report the mandatory requirements considered are:

- Budgets - The Public Cemetery District Law requires the board of trustees to adopt a final budget by August 30<sup>th</sup> of each fiscal year and to forward that budget to the county auditor.
- Appropriation limit – The Public Cemetery District Law also requires the board of trustees to adopt a resolution establishing an appropriations limit consistent with Article XIII B of the California Constitution by July 1 of each year.
- Financial reports - Every special district is required to prepare annual financial reports and to file those reports with the State Controller.
- Audits - Every special district is required to periodically have an audit prepared by a certified public accountant or public accountant and to file the audit with the county auditor. If a special district does not have an audit prepared state law requires that the county auditor prepare or contract for the preparation of an audit.

All of this basic financial information, once completed, should be publicly available.

Only the Bardsdale Cemetery District is meeting these requirements. While both the El Rancho Simi Cemetery District and the Piru Public Cemetery District filed financial reports with the State Controller, at least as of 2003-2004, the last published Special Districts Annual Report, no representative from either of these Districts could provide information about who prepared those reports or more current copies of these reports. Neither the El Rancho Simi Cemetery District or the Piru Public Cemetery District have adopted budgets and neither District was able to provide any information indicating they are in compliance in terms of adopting an appropriations limit.

In terms of audits, it is first the obligation of the board of trustees to cause an audit to be prepared. If this does not occur in a timely fashion the responsibility to have an audit prepared defaults to the county auditor. Table III-5 provides information about when audits for each of the three public cemetery districts were last submitted to the Ventura County Auditor-Controller. Note that applicable laws allow audits to be submitted up to twelve months after the close of a fiscal year.

**Table III-5  
AUDITS**

DISTRICT	AUDIT CYCLE	LAST AUDIT SUBMITTED	NEXT AUDIT DUE	AUDIT COMMENTS
Bardsdale Cemetery District	2 yr.	June '04	June '06	Unqualified
El Rancho Simi Cemetery District	1 yr.	June '05	June '06	Qualified, see discussion in Section E
Piru Public Cemetery District	5 yr.	June '98	June '03	Unqualified <sup>1</sup>

Only the Bardsdale Cemetery District is current in fully meeting all audit requirements. The El Rancho Simi Cemetery District's board of trustees needs to take steps to ensure that they comply with existing and future audit requirements beginning with determining their required audit cycle. For the Piru Public Cemetery District a compounding issue is that the District does not currently have the financial capability to pay for its last audit, much less any current audit.

## H. Local Accountability and Governance

The Public Cemetery District Law provides for each district to have a board of trustees of at least three members to govern the district. Unless the Board of Supervisors appoints itself as the board of trustees, the Board of Supervisors is responsible for appointing persons who are voters within the boundaries of the district to the board of trustees. For appointments made after January 1, 2004, the Board of Supervisors is required to stagger the terms of trustees by making appointments to terms of less than four years; otherwise the term of office for trustees is four years (Health and Safety Code §9024).

Once an independent board of trustees is appointed, the functioning of a district is totally independent from the County. The County is not responsible for providing any income or support to the district. In fact, the Public Cemetery District Law requires trustees to exercise their independent judgment on behalf of the interests of the residents, property owners, and the public as a whole and to represent the interests of the public as a whole and not solely the interests of the Board of Supervisors (Health and Safety Code §9022).

The members of the board of trustees of each District are volunteers who serve without any compensation.

None of the Districts have websites, but the need for one would not seem practical for any of the agencies.

<sup>1</sup> *Owes approximately \$8,120 to the County for last audit.*

**Table III-6  
BARSDALE CEMETERY DISTRICT  
BOARD MEMBERS AND TERMS OF OFFICE**

<b>BOARD MEMBER</b>	<b>TITLE</b>	<b>MOST RECENT APPOINTMENT</b>	<b>EXPIRATION OF TERM</b>
Gene Wren	President	January 3, 2005	January 5, 2009
Montgomery Winkler	Secretary/Trustee	January 3, 2005	January 5, 2009
Lavonne Deeter	Trustee	January 3, 2005	January 5, 2009

Each of the Bardsdale Cemetery District trustees were originally appointed at different times and each has served at least two terms of office. In April 2005 the Board of Supervisors reappointed each member to new four-year terms effective as of January 3, 2005. However, it appears the Board of Supervisors did not follow provisions in the Public Cemetery District Law that require staggered terms for appointments made after January 1, 2004. The Board of Supervisors should review these appointments to determine if any corrective action is necessary.

Meetings of the Bardsdale Cemetery District Board of Trustees are held the second Monday of each month starting at 4:00 pm at the District office at 1698 South Sespe Street in Fillmore. Notification of the public is through posting at the meeting location, at the local police station and at the Fillmore City Hall.

The District did not provide any information about whether or not members of the board of trustees receive regular reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission (FPPC). The Clerk of the Board of Supervisors reports that none of the trustees have filed a current Statement of Economic Interests (Form 700) as required by the FPPC. This is a matter that each trustee should take prompt action to correct as trustees are personally responsible for complying with FPPC regulations.

**Table III-7  
EL RANCHO SIMI CEMETERY DISTRICT  
BOARD MEMBERS AND TERMS OF OFFICE**

<b>BOARD MEMBER</b>	<b>TITLE</b>	<b>MOST RECENT APPOINTMENT</b>	<b>EXPIRATION OF TERM</b>
Joseph Brimberry	President	January 6, 2003	January 6, 2007
Tyler Ritch	Trustee	November 1, 2005	November 1, 2009
Daniel Paranick	Trustee	March 20, 2007	March 20, 2011
Vacant	Trustee		
Vacant	Trustee		

Meetings of the El Ranch Simi Cemetery District board of trustees are held the second Wednesday of each month starting at 6:00 pm in the District office/caretakers residence at 1461 Thompson Lane, Simi Valley.

The District did not provide any information about whether or not members of the board of trustees receive regular reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission (FPPC). While the board of trustees does have a printed agenda for its meetings, it is unknown whether or not the District is complying with Brown Act requirements relating to meeting notification and the conduct of its meetings. The Clerk of the Board of Supervisors reports that none of the individual trustees have filed a current Statement of Economic Interests (Form 700) as required by the FPPC. This is a matter that each trustee should take prompt action to correct as trustees are personally responsible for complying with FPPC regulations.

**Table III-8  
PIRU PUBLIC CEMETERY DISTRICT  
BOARD MEMBERS AND TERMS OF OFFICE**

<b>BOARD MEMBER</b>	<b>TITLE</b>	<b>MOST RECENT APPOINTMENT</b>	<b>EXPIRATION OF TERM</b>
Cecilia Boschee	President	January 8, 2001	January 3, 2005
Lucinda Walsh	Trustee	January 8, 2001	January 3, 2005
Mary Guevera	Trustee	January 8, 2001	January 3, 2005

The term of office for each member of the board of trustees of the Piru Public Cemetery District has expired, but each is continuing to serve in a volunteer capacity. The Board of Supervisors should take action about the status of the trustees for this District. A recommended determination of this municipal service review is that the Board of Supervisors follow the process in the Public Cemetery District Law to appoint itself as the board of trustees for this District. If this does not occur then the Board of Supervisors should take action to make trustee appointments consistent with the Public Cemetery District Law, including the requirement for establishing staggered terms of office. Given the District's financial status, however, it is unknown whether or not current trustees are willing to serve for additional terms of office or if any other voter in the District is willing to be considered as a potential trustee.

Meetings of the Piru Public Cemetery District board of trustees are scheduled to occur the second Tuesday of each month. The District's board of trustees attempts to meet regularly, but in the past the lack of a meeting place has on occasion limited their ability to meet.

The District did not provide any information about whether or not members of the board of trustees receive regular reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission (FPPC). It is doubtful that the trustees are able to comply with Brown Act provisions relating to meeting notification and the conduct of its meetings. The Clerk of the Board of Supervisors reports that each trustee has filed a current Statement of Economic Interest (FPPC 700 Form), even though their terms of office have expired.

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## IV. DETERMINATIONS

*Determinations are based on data provided by agencies and information from other publicly available sources.*

### **Bardsdale Cemetery District**

- **Infrastructure needs or deficiencies**
  1. No significant infrastructure needs were identified for the Bardsdale Cemetery District. Based on the current rate of burials, the District cemetery has capacity for approximately 12 years.
- **Growth and population projections for the affected area**
  1. Based on population projections for the Fillmore Area of Interest, there will be on-going and expanding needs for cemetery services within the Bardsdale Cemetery District.
- **Financing constraints and opportunities**
  1. The Bardsdale Cemetery District is financially stable.
  2. The Bardsdale Cemetery District has no near term infrastructure needs or other constraints that will impact future income.
  3. The Bardsdale Cemetery District has no debt.
- **Cost avoidance opportunities**
  1. The Bardsdale Cemetery District uses appropriate cost avoidance methods, but opportunities for cost avoidance are limited.
- **Opportunities for rate restructuring**
  1. The Bardsdale Cemetery District periodically reviews its rates and service charges.
- **Opportunities for shared facilities**
  1. The opportunities for shared facilities are limited for the Bardsdale Cemetery District.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
  1. There are no governmental structure options that would be beneficial for the Bardsdale Cemetery District at this time. Consolidation with the Piru Public Cemetery District might be considered at some time in the future only if there are no additional financial costs to the residents of the Bardsdale District from such a consolidation.
  2. The Bardsdale Cemetery District should seek to detach National Forest areas from the District so that boundaries better correspond to the service area.
- **Evaluation of management efficiencies**
  1. The Bardsdale Cemetery District is in compliance with budgeting, audit and financial reporting requirements.
- **Local accountability and governance**
  1. The Bardsdale Cemetery District meets regularly and provides public notice of its meetings.
  2. The Board of Supervisors should review the most recent appointments to the Bardsdale Cemetery District board of trustees to ensure that the terms of office of the appointments are in compliance with the Public Cemetery District Law.
  3. The Bardsdale Cemetery District board of trustees should have periodic reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission.
  4. The members of the Bardsdale Cemetery District board of trustees should each promptly file a current Statement of Economic Interests with the Clerk of the Board of Supervisors.

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## **El Rancho Simi Cemetery District**

- **Infrastructure needs or deficiencies**
  1. Based on limited available information the El Rancho Simi Cemetery District has significant infrastructure needs as the existing cemetery will be at capacity within ten years.
  2. The El Rancho Simi Cemetery District owns a residence next to the cemetery. The residence and the land it occupies are an asset that should to be maximized for future cemetery expansion, enhancing operations and/or increasing the cemetery's endowment fund.
- **Growth and population projections for the affected area**
  1. Based on population projections for the Simi Valley Area of Interest, there will be on-going and expanding needs for cemetery services within the El Rancho Simi Cemetery District.
- **Financing constraints and opportunities**
  1. The El Rancho Simi Cemetery District, based on an audit for the five years ending June 30, 2005, has record keeping deficiencies and an uncertain financial status. The District is in potential default on a loan from the City of Simi Valley. The ability of the District to meet this loan obligation is unknown, but if the debt is not restructured the District could potentially be forced into bankruptcy. The District should take immediate steps to work with the City of Simi Valley about restructuring this loan.
  2. The El Rancho Simi Cemetery District does not have an acceptable financial methodology for tracking the availability and sale of cemetery plots. This lack of financial control potentially affects the veracity of the District's financial statements. The District should conduct a complete inventory of available capacity and then maintain perpetual inventory records based on future sales of cemetery plots.
  3. The El Rancho Simi Cemetery District should ensure that the District's financial statements are audited on an annual basis or should follow the process in the law to allow for a biennial audit.
  4. The El Rancho Simi Cemetery District has near term infrastructure needs that, unless alleviated, will result in a decrease in future income.
- **Cost avoidance opportunities**
  1. The El Rancho Simi Cemetery District uses cost avoidance methods, such as contractors to perform maintenance, landscaping and burial related services, but opportunities for cost avoidance are limited.
- **Opportunities for rate restructuring**
  1. The El Rancho Simi Cemetery District periodically reviews its rates and service charges.
- **Opportunities for shared facilities**
  1. The opportunities for shared facilities are limited for the El Rancho Simi Cemetery District.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
  1. If the El Rancho Simi Cemetery District is unable to prepare and adopt an annual budget and fully comply with financial reporting requirements, and/or if lack of income results in further impairment of the District's ability to properly operate as an independent unit of local government, all feasible governmental structure options should be considered by the District, the City of Simi Valley and the County.
  2. There are no legally feasible government structure options available at this time that would provide for the City of Simi Valley to assume the governance of the District, even if the City was willing to do so. However, based on approval by LAFCo, the District could change its

boundaries to reduce the area within the District. Then the City of Simi Valley would potentially be able to assume the governance of the District by the District becoming a subsidiary district of the City. The District board of trustees should work with the City of Simi Valley and LAFCo to implement this change in governance.

- **Evaluation of management efficiencies**

1. The El Rancho Simi Cemetery District is out of compliance with requirements to prepare an annual budget, annually adopt an appropriations limit and annually prepare comprehensive financial reports. The board of trustees needs to take proactive steps to meet these legal requirements.
2. The El Rancho Simi Cemetery District should consider hiring, or contracting with, an administrative professional to assist the District in meeting financial mandates, meeting debt obligations and maximizing assets.

- **Local accountability and governance**

1. The El Rancho Simi Cemetery District board conducts regular meetings with a printed agenda. It is unknown whether or not the District is complying with Brown Act requirements relating to meeting notification and the conduct of meetings.
2. The El Rancho Simi Cemetery District board of trustees should have periodic reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission.
3. The members of the El Rancho Simi Cemetery District board of trustees should each promptly file a current Statement of Economic Interests with the Clerk of the Board of Supervisors.

## **Piru Public Cemetery District**

- **Infrastructure needs or deficiencies**

1. Based on the limited available information the Piru Public Cemetery District has significant infrastructure needs as the existing cemetery will be at capacity within five years.
2. The Piru Public Cemetery District owns approximately 1.5 acres of vacant, hillside land adjacent to the cemetery that is an asset that should be maximized for future cemetery expansion, enhancing operations and/or increasing the cemetery's endowment fund. However the District does not at this time have the financial capability or professional expertise necessary to maximize this asset.
3. The Piru Public Cemetery District has a functional infrastructure deficiency in that the board of trustees relies on others for a regular meeting place.

- **Growth and population projections for the affected area**

1. Based on population projections for the Piru Area of Interest, there will be on-going and expanding needs for cemetery services within the Piru Public Cemetery District.

- **Financing constraints and opportunities**

1. The Piru Public Cemetery District is not able to provide current financial information, but the financial status of the District appears critical.
2. The Piru Public Cemetery District has very near term infrastructure needs that, unless alleviated, will result in a decrease in future income.
3. The Piru Public Cemetery District has an outstanding debt to the County of Ventura of approximately \$8,120 for its last audit; however, the District may not be able to meet this obligation.
4. The Piru Public Cemetery District does not have the financial resources necessary to maintain operations as an independent local governmental agency.

- **Cost avoidance opportunities**

1. The Piru Public Cemetery District relies on cost avoidance methods to function; volunteers perform administrative, maintenance, landscaping and burial related services. Further opportunities for cost avoidance are limited and may be non-existent. If volunteers were not available, the current limited functioning of the District would not be possible.

- **Opportunities for rate restructuring**

1. The Piru Public Cemetery District periodically reviews its rates and service charges.

- **Opportunities for shared facilities**

1. The opportunities for shared facilities are limited for the Piru Public Cemetery District.

- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**

1. The Piru Public Cemetery District does not have sufficient income at this time to function as an independent local government agency.
2. The Board of Supervisors should consider the process in the Public Cemetery District Law to terminate the appointed District board of trustees and appoint itself as the board of trustees. If the Board of Supervisors takes over the governance of the District, the County will need to subsidize District operations, at least until it can be determined if the District's financial status can be improved.
3. If the Board of Supervisors does not assume the governance of the District and if the County of Ventura is not willing or able to subsidize District operations in order to consider all

opportunities for improving and stabilizing District income, LAFCo should initiate proceedings to dissolve the District.

- **Evaluation of management efficiencies**

1. The Piru Public Cemetery District is out of compliance with requirements to prepare an annual budget, annually adopt an appropriations limit and have current financial reports.
2. The Piru Public Cemetery District is out of compliance with requirements to prepare an audit for the five fiscal years ended June 30, 2003; however, the District does not have sufficient resources to pay for its last audit.

- **Local accountability and governance**

1. The terms of office of each member of the Piru Public Cemetery District board of trustees expired in January 2005.
2. The Piru Public Cemetery District board of trustees meets on a regular basis but the District relies on free meeting space being provided by others. It is doubtful that the trustees are able to comply with Brown Act requirements relating to meeting notification and the conduct of meetings.
3. The Piru Public Cemetery District board of trustees should have periodic reviews of the Brown Act and the rules and regulations of the Fair Political Practices Commission.

